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COAL LANDS AND COAL-LAND LAWS OF THE UNITED STATES.

U. S. COMMITTEE ON THE PUBLIC LANDS,
HOUSE OF REPRESENTATIVES,
Monday, December 17, 1906.

Committee called to order at 10.50 a. m.

STATEMENT OF MR. EDGAR E. CLARK, COMMISSIONER OF THE INTERSTATE COMMERCE COMMISSION.

The CHAIRMAN. Mr. Clark, we desired to have you talk to us upon the subject of the coal-land entries in the West.

MR. CLARK. Mr. Chairman, I have not made any preparation for appearing here this morning, and I shall not occupy very much time unless it be in answer to inquiries that may be made by the members of the committee. I, however, thought it proper, inasmuch as I was the only member of the Interstate Commerce Commission in the city who has had personal contact with investigations recently made under resolution of Congress, to come before you and express our strong belief that the right thing for the future is for the Government to retain title to and ownership of its coal lands.

As you well know, under the present laws an individual may take 160 acres of coal land either on a coal declaratory statement or under the cash entry law. Under the latter he pays \$10 per acre if it is 15 miles or more from a completed railroad and \$20 an acre if it is within 15 miles of a completed railroad. A company of men, a partnership you might term it, can take 320 acres under the same conditions. No corporation or individual can afford to arrange to properly open up a coal working unless they have a good deal more land than 320 acres. It requires a large investment of capital, large preparations, to properly open up and develop a coal property. The testimony taken in the investigation referred to, and more especially in Wyoming and Utah, shows that thousands of acres of coal land, known to be coal land, have been entered on coal declaratory statements made in many instances by young women. In some instances whole families, each individual for themselves, have at the invitation of the representatives of coal companies made these coal declaratory statements, which is a declaration of their intention to locate and perfect the title to certain described pieces of land.

MR. GAINES. Describing it as coal land?

MR. CLARK. Yes; described as coal lands. Coal declaratory statement gives what might be properly termed an option on the piece of property for a period of one year, within which they may perfect the title by paying for it at the stipulated price. Others do the same

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thing under the cash-entry law, in both instances being required to make an affidavit that they are personally well acquainted with the property, that it is principally valuable for the coal underlying it, and that it is intended for their own personal use and benefit.

Mr. MONDELL. You do not mean to say that in making a coal declaratory statement the party is required to state that he knew the character of the land and that it was valuable?

Mr. CLARK. I so understand it.

Mr. MONDELL. I think you will find that the coal declaratory statements are in the majority of cases made through an agent, with the specific statement that the blanks published by the Government contain the provision to be filled out that they have no knowledge of the character of the land except by hearsay, but that their agent has knowledge and that he makes the nonmineral affidavit. I don't think that there can be any doubt about that.

Mr. GAINES. It seems that Mr. Clark is stating a fact of his own knowledge, derived in his official capacity.

Mr. MONDELL. I simply wanted to make that suggestion at this point because it is, it seems to me, a very important matter.

Mr. GAINES. But let us find out what they have actually done out there.

Mr. MONDELL. But I think it is an important question, Mr. Chairman, whether a coal declaratory statement requires that the entryman shall—

The CHAIRMAN. Mr. Clark is merely stating his understanding?

Mr. CLARK. I am stating the understanding that was brought out in the investigation at which I was present; and with reference to these lands the understood facts as agreed to by the attorneys on both sides, at least not contradicted, excepting perhaps that the attorney for the Denver and Rio Grande Railroad Company announced the view that the statute required nothing except that the applicant be a citizen of the United States and of lawful age, and has an unquestioned right to enter a coal declaratory statement and transfer the rights for a consideration to any other person or company before the patent to the land had been issued; and, as a matter of fact, that is what was done with the most of the coal lands that have been entered.

Mr. GAINES. Did you say that some of those entries or declarations have been made by women?

Mr. CLARK. Yes, sir.

Mr. GAINES. How many?

Mr. CLARK. I would not undertake to say how many, only that we drew out enough information in our investigation to show that many had been done in that way, and some who had entered lands in that way came before us as witnesses. One young lady in Salt Lake City who was, I should judge from appearances, probably 22 or 25 years of age, testified that at the invitation of the geologist of the Utah Fuel Company, or at his suggestion, she went to the office of the attorney of that company and signed a paper. She did not know what it was; and later she went to the office and signed another paper of which she was equally ignorant; but she did know that she got \$50 for her services. And the records show that she entered a quarter section of coal lands and transferred it to the Utah Fuel Company.

Mr. GAINES. What is the Utah Fuel Company?

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Mr. CLARK. The coal lands that are now operated in Utah are almost, if not entirely without exception, owned by the Pleasant Valley Coal Company and the Utah Fuel Company. The Utah Fuel Company owns all of the stock of the Pleasant Valley Coal Company. The Rio Grande Western Railway Company owns all of the stock of the Utah Fuel Company, and the Denver and Rio Grande Railroad Company owns all of the stock of the Rio Grande Western Railway Company.

Mr. GAINES. That looks to me as if the railroad owned the whole face of the earth out there.

Mr. CLARK. The Denver and Rio Grande Railroad Company has had absolute control of the production, transportation, and marketing of the fuel supply of the State of Utah.

Mr. GAINES. And you get that information from an investigation out there?

Mr. CLARK. It is the sworn testimony before our Commission within the last three or four weeks, and it is admitted by the Denver and Rio Grande people that that ownership obtains.

Mr. GAINES. What proportion of these coal lands have gotten into the hands of the coal company or the railroad company through the intervention of these dummies, these women or these men, whom you have described, or through any other persons?

Mr. CLARK. Well, an answer to that question would be largely a guess, because we did not pursue our investigation into the land situation far enough to check up all of the lands now held by the Utah Fuel Company and the manner in which they were secured. The attorneys for the Utah Fuel Company protested strongly against our permitting any testimony as to how they acquired those lands. They said: "We admit ownership, but we deny your right under this resolution to question the manner in which we acquired title;" and it was held by the Commission, in answer to that objection, that we were instructed to ascertain whether or not anything in the form of a monopoly existed, and that if it was true that something in the form of a monopoly did exist, it was entirely competent and proper that we should inquire as to how that monopoly was created or brought about. So that I am not at all prepared to say what proportion of the lands now held by the Utah Fuel Company were acquired in this way, but I am perfectly safe in saying that a very large proportion of them were acquired through these dummy entries.

The CHAIRMAN. How much land have they?

Mr. CLARK. Well, Mr. Chairman, as I said, I came up here on the spur of the moment without any preparation. It is in the testimony, and the vice-president of the fuel company is to furnish us, supplementary to the investigation and as a part of the record, a definite record of their coal-land holdings.

Mr. GAINES. Is that testimony published, so that the committee can get a copy of it?

Mr. CLARK. It has not been published because it is not more than two weeks since the evidence was taken.

The CHAIRMAN. Do you know how long ago these entries were made?

Mr. CLARK. Most of them that I refer to now have been made within the last three or four years.

The CHAIRMAN. The reason why I asked that question is that the

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report of the Commissioner shows that there has been a very small amount of coal land taken up in Utah in the last five years.

Mr. CLARK. Mr. Chairman, I hope that I will be distinctly understood as trying to avoid anything that would seem to question the action of any other branch or Department of the Government; but a man might very reasonably, and with perfect candor, make that statement not knowing some of the facts that have been brought out in this investigation.

The CHAIRMAN. Well, but the entries are a matter of record.

Mr. CLARK. If you will pardon me just a minute, we found in the testimony in this investigation that coal lands, known to be such, have been taken up in tracts as large as 2,500 acres in one piece under the enabling act by which Utah was admitted to statehood and in connection with which Congress voted the State certain numbers of acres of land to be selected by the State from Government lands not otherwise appropriated, excluding mineral lands, for the purpose of establishing miners' hospitals and eleemosynary institutions of one kind or another.

The CHAIRMAN. Now, in connection with mineral lands, does that exclude coal lands, or are coal lands treated as mineral lands?

Mr. CLARK. We think that coal lands and oil lands have always been considered as mineral lands.

The CHAIRMAN. No; the coal lands have not been—that is, as to the Pacific Railroad grants they have not been considered as mineral.

Mr. MONDELL. I think Mr. Clark is correct in his view—that is my view of it—and I think it has been so declared, that State grants are agricultural lands. The State authorities are compelled to make, through a proper officer, an affidavit that those lands are agricultural in character, as I understand it.

Mr. CLARK. If you will bear with me just a minute, I will tell you what they did in one instance.

Mr. MONDELL. By the way—and I do not want to break into your statement, but simply bring out the facts—do you know who the official is in Utah who makes that affidavit? Is it the secretary of the land board?

Mr. CLARK. I was just going to tell you, and I think I can make it clear by stating what was testified to before us by the secretary of the State land board. The claimants for those State lands come before the State board with a declaration that they desire to enter certain described lands which they made affidavit were principally valuable for agricultural or grazing purposes.

Mr. MONDELL. That they desired to purchase them from the State?

Mr. CLARK. Yes; to purchase those lands as to which the title had not yet passed from the Government, and those lands, they swore, were principally valuable for grazing or agricultural purposes. For a time that affidavit was all that was required. The State land board asked the United States Government for title to certain described lands, and passed that right along to applicants upon payment of the required fee, which, I think, was \$2.50 an acre.

Mr. MONDELL. That was the State price.

Mr. CLARK. Yes, to the purchaser. After a time, I do not remember exactly how long, the Land Department issued a regulation—

at least I got the understanding that it was a regulation of the Department rather than a change of law—that some agent of the State land board should make affidavit as to the character of these lands before the State would pass along to the Government the request for the title. Then an individual who desired to enter some of those lands made application to the State board, made affidavit as to the agricultural or grazing character of the land, and was then and there appointed by the State board the State agent to examine the lands and furnish the nonmineral affidavit required on the part of the State; and in the capacity of State agent, and representing himself in his own application, and without further visit to the land, he made the necessary affidavit which the State passed along to the United States Government and upon which the patents were issued. That is the testimony of the secretary of the State land board in Utah.

Mr. GRONNA. Much of these lands, then, were taken as agricultural lands, and not under the coal-land law?

Mr. CLARK. They were taken up on the allegation that they were principally valuable for agricultural and grazing purposes, and men who were then acquainted with the character of the land testified that so far as agriculture is concerned they are utterly impossible; that they are valueless as grazing lands.

Mr. MARTIN. Did it appear before your Commission that quite a considerable proportion of the land held by these operating companies was acquired in that manner throughout the State?

Mr. CLARK. A large part of the acreage of coal lands now held by the Utah Fuel Company was so acquired.

The CHAIRMAN. That is why such a small number of entries had been made under the coal-land laws of Utah.

Mr. CLARK. That explains the very point you raised; and, as I say, a person not acquainted with these facts, and not having made any inquiry into the manner in which these lands that were ceded to the State and distributed, would very candidly say, and truthfully, that they had not been entered as coal lands because the record shows that they were entered as agricultural or grazing lands.

Mr. MARTIN. The record to which the chairman referred was the record under which they were entered?

Mr. CLARK. Yes; and would be perfectly correct so far as the record goes.

Mr. MARTIN. Let me ask you also, did it develop before your Commission as to whether lands had also been acquired by these companies that had been entered under the homestead law and afterwards shown to be coal lands?

Mr. CLARK. My recollection is that there was a little testimony along that line, but it was not very definite, and it did not indicate that there had been any important amount of that kind of transaction.

With regard to these State selections, one specific instance is in evidence where the geologist of the Utah Fuel Company made affidavit that a certain tract of land was coal land, and a coal declaratory statement with regard to it was made. For some reason or other they did not perfect the title to it at that time. Some time later, I do not remember just how long, but a year or two, perhaps, the same

man, under the State-selection process, made affidavit that that same land was principally valuable as agricultural and grazing land and secured patent to it, and it is now held by the Utah Fuel Company.

Mr. GAINES. Mr. Clark, what percentage, from the information that you have derived about these coal lands, have been honestly and squarely or legally preempted and taken charge of?

Mr. CLARK. Well, again I would have to say, without having a list of their lands and checking up the entries, that an answer of that kind would be largely a guess.

Mr. GAINES. Take it the other way. From your general information, can you give me the amount that has been wrongfully entered?

Mr. CLARK. I wish to be distinctly understood that my answer is based upon a general impression gathered from the testimony in this case, and I should say probably somewhere between 50 per cent and 66 $\frac{2}{3}$ per cent.

Mr. GAINES. That has been wrongfully entered?

Mr. CLARK. Yes, sir; and in that I term as "wrongfully entered" one in which a dummy makes affidavit that he wants the land, that he knows in regard to its nature, when he has never seen the land.

Mr. FORDNEY. Up to the present time, by the applicants making nonmineral affidavit, those lands were subject to entry only under the laws applicable to that territory, and many lands have been taken in various ways by nonmineral affidavits accompanying that application. I am referring to Utah.

Mr. CLARK. I presume so. We, of course, acquired knowledge only with regard to the holdings of the coal companies.

Mr. FORDNEY. I did not mean to get a decision from you, but what I meant to say, based upon your argument, was that those applications made under State selections referred to land chiefly valuable for agricultural purposes, and that application was accompanied by a nonmineral affidavit, was it not, in order to get the lands?

Mr. CLARK. Oh, yes.

Mr. FORDNEY. Then under various laws they could get valuable coal lands by making a nonmineral affidavit?

Mr. CLARK. I think that would be possible.

Mr. MARTIN. I suppose, of course, this manner of making lieu selection of lands for a State which are in fact valuable for coal is indirectly a violation of law. It is understood that that law does not contemplate land valuable for coal to be taken by the State in lieu selection.

Mr. SMITH, of California. Is that the fact?

Mr. MARTIN. I think so.

Mr. MONDELL. The State in all of those cases, through some agent, makes nonmineral affidavit to the Interior Department with its application?

Mr. SMITH, of California. The law admitting Utah as a Territory excluded from the privilege the right to take coal land, did it not?

Mr. CLARK. I do not think coal land is specified.

Mr. MONDELL. That, I think, is answered by the fact that these State applications made to the Interior Department for lieu lands are in all cases accompanied by nonmineral affidavit.

Mr. SMITH, of California. I understood you did not consider coal land as mineral land. Suppose a man comes forward and makes application to Utah for a piece of land, and he has to swear that it

is chiefly valuable for coal. Could he get title through the State of Utah for that land?

Mr. CLARK. No, sir.

Mr. SMITH, of California. Would Utah apply to the United States for distinctly coal land and get it?

Mr. CLARK. I don't think so, because the land ceded should be agricultural or grazing land.

Mr. MARTIN. I think that is correct.

Mr. GAINES. The Government of the United States did not give to the State of Utah coal lands in any way?

Mr. CLARK. I think it will be found that the grant excludes mineral lands.

Mr. FORDNEY. And that coal is considered as mineral?

Mr. CLARK. Yes.

The CHAIRMAN. What I referred to was that in some of the railway company's grants the mineral was confined to precious metals.

Mr. GAINES. That would be a specific limitation.

Mr. CLARK. I think it is true that the Union Pacific through its subsidiary company, the Union Pacific Coal Company, is mining coal on lands that formed a part of the original Union Pacific land grant.

Mr. MONDELL. It has been held that the Union Pacific took coal lands as a part of its grant.

Mr. CLARK. But in a State I think the opposite is true.

Mr. GAINES. Did I understand you to say that the Union Pacific Railroad is running gold mines out there?

Mr. CLARK. I said through its subsidiary company, the Union Pacific Coal Company. The Union Pacific Coal Company is controlled by the Union Pacific Railroad Company, and the Utah Fuel Company is controlled by the Denver and Rio Grande Railroad Company; and the Union Pacific Coal Company and the Union Pacific Railroad Company, between them, have almost as absolute control of all production and transportation and marketing of coal in Wyoming as the Utah Fuel Company and the Denver and Rio Grande Railroad Company have in Utah.

Mr. MONDELL. Mr. Clark, of course you meant to say along its lines. It has nothing to do with mining of coal in other parts of the State.

Mr. CLARK. No; of course not. I meant along its line.

Mr. MARTIN. For how long a period of time did it appear from your hearings have coal lands been acquired in Utah by means of the State lieu selection?

Mr. CLARK. Some of them so far back that the statute of limitations of six years has run against them.

Mr. MARTIN. Those lieu selections have to meet the approval of the Interior Department in administration?

Mr. CLARK. Certainly; the title comes from the United States Government through the State to the purchaser.

Mr. FORDNEY. Perhaps I have been somewhat misled through the remarks of Mr. Mondell, as to the reservation of mineral lands, but has there ever been a decision of the Supreme Court that it does not include coal that you know of?

Mr. CLARK. Not that I know of, but the term "ores" would exclude coal, while the term "mineral lands" as applied in this enabling act, has, to my knowledge, never been held to exclude coal or oil.

Mr. MARTIN. I think, too, that the lands chiefly valuable for building rock deposits are in that classification.

Mr. CLARK. I think so. In other words, in that connection, lands chiefly valuable for any deposit in or under them are excluded from the grant, because the grant conveys only lands principally valuable for agriculture or grazing.

Mr. MONDELL. You are referring to State grants?

Mr. CLARK. I am referring to the Utah State grants.

Mr. GAINES. Mr. Clark, how did the railroad get the right to mine those gold mines?

Mr. CLARK. I did not refer to gold mines, but to coal mines.

Mr. GAINES. Oh! I understood you to say gold.

Mr. CLARK. No, I had no reference to precious metals.

Mr. MONDELL. Mr. Clark, the recent railroad legislation contains a prohibition, as I recall it, against the mining and transportation by railways in interstate commerce of coal mined by themselves?

Mr. CLARK. It prohibits a railroad company from transporting any commodity which it owns, or in which it has any interest, other than lumber and its products, excepting such as is necessary for its own use. That provision of law is effective May 1, 1908.

Mr. MONDELL. Your Commission, in its hearings in Utah and elsewhere, seemed to bring out the fact that railway companies were engaged in mining coal, directly or indirectly. Do you contemplate further action in that matter, in view of a provision contained in the rate bill?

Mr. CLARK. We shall certainly endeavor to enforce it when it becomes effective, but it does not become effective until May 1, 1908.

Mr. GAINES. Are railroads over the country disposing of their private properties? We see they are by the press.

Mr. CLARK. I have no knowledge in regard to that. In an informal conversation with the attorney of the Denver and Rio Grande Railroad Company in connection with the hearings out there he said that they understood from the terms of the law that it would be necessary for them to absolutely divorce their coal properties from the railroad properties. He said they had not as yet devised the means that would be employed, or how they would go at it, but he realized that it would be necessary to bring about an absolute divorce.

Mr. MARTIN. The Supreme Court, in the Chesapeake and Ohio case, recently held that where a railroad company is now transporting coal in which it is indirectly interested it would have to transport it at the same rate as it would competitive fuel of other companies.

Mr. CLARK. Yes, sir.

Mr. MARTIN. Which of course does away, even between now and 1908, with a good deal of what took place heretofore?

Mr. CLARK. Wherever competitive conditions exist.

Mr. MARTIN. Which are not at all too numerous.

Mr. CLARK. That would not be true in the section of country in which these investigations have been held, and in which there still remain large tracts of valuable coal lands owned by the United States Government.

Mr. MARTIN. I think the committee would be very much interested in that branch of your statement, Mr. Clark, as to what remains in

these localities that the Government still owns, and that it could not hold and operate directly or indirectly to advantage.

Mr. CLARK. We would not favor any direct operation of these properties by the Government, but realizing the necessity of a liberal acreage in order to justify adequate and proper works and the abundance of evidence that in order to acquire those holdings they have under present laws resorted to these questionable methods of obtaining acreage, it seemed to us that it would be entirely consistent for the Government to retain title to these lands and lease them in sufficiently large tracts to justify putting up the necessary works instead of selling them outright at a given amount per acre. Lease them on a royalty. Personally I should favor royalty per ton of coal taken out, because it would seem to be much more equitable and fair, both to the Government and to the lessee.

Mr. GAINES. At what price have these coal lands been sold?

Mr. CLARK. The highest price that has been paid was \$20 an acre.

Mr. GAINES. What was the lowest?

Mr. CLARK. Two dollars and fifty cents, under the State selection process.

Mr. GAINES. At that time what was the market value of the coal lands, and what is it now?

Mr. CLARK. I don't think anyone could intelligently say what the market value is. It depends entirely upon the transportation facilities, as is shown in numerous instances brought out in our hearings—I say numerous instances, as several of them were brought out in detail and others merely referred to—and I might also say parenthetically that we did not prolong our hearings or undertake to pile up cumulative evidence as to a fact that had been well established—

Mr. MARTIN. If the Government can operate those coal mines through leases, would you say that the lease would have to contain certain provisions as to the price at which coal should be sold in order to prevent that very thing of a monopolistic character happening in Utah?

Mr. CLARK. I was going to say that we have in our evidence two or three instances, specific and others hinted at, where parties have acquired title to coal lands known to contain valuable deposits of coal, and where they desired to work them, but a narrow tract lies between them and the only railroad over which their coal could be transported, which narrow tract is owned by some company like the Utah Fuel Company or the Colorado Fuel and Iron Company, and those companies absolutely refuse to permit any track to be laid over their lands to reach the coal lands of some independent person lying just beyond. And, as is shown in the hearings in Colorado, the Denver and Rio Grande Railroad Company has so far, at least, refrained from exercising its right of eminent domain to lay a track across there. I do not pass upon the legal question as to whether their right of eminent domain extends to building of spurs to industries, perhaps not, but those are the facts, that valuable coal lands which would otherwise be worked by their present owners, are lying idle because they are unable, for those reasons, to get transportation facilities.

Mr. MONDELL. If we passed from the present system of selling coal lands to leasing coal lands, would the conditions that you have

just referred to occur? Would not that condition of affairs still remain?

Mr. CLARK. In that particular instance, yes; undoubtedly. I referred to it simply to show that it is impossible for anyone to intelligently estimate the present actual value of coal lands because the value depends entirely upon the ability to get the coal out.

Mr. FORDNEY. They have only a prospective value; no real value?

Mr. CLARK. There is a holding value to all of these coal lands, because some day they will have to get to them. My suggestion as to the royalty plan of leasing is based upon the idea that nobody can know, except by borings, exactly what underlies that land, and a lease that provided for a certain royalty per ton would permit the collection of nothing excepting upon what was actually mined by the lessee, and would pay the Government for nothing except what it actually furnished.

Mr. MONDELL. Will not the condition of monopoly and the temptations of railroad companies to secure large holdings be entirely or largely modified when the provision referred to in the railroad rate bill goes into operation preventing the railroad companies from engaging in commercial operations in coal?

Mr. CLARK. Yes; it would modify that situation materially, but so far as the public is concerned, if all of the coal lands in a large section of the country are owned by one company, all of the claims are operated by that same company, and all of the coal is transported by one railroad company, they can not get the benefit of competition.

Mr. MONDELL. In that event there would be nothing gained by the leasing system, because, in that condition which you suggest, there will be nothing to lease.

Mr. CLARK. Yes; the Government would have lands to lease to competitive operators who might desire to enter the field, and under the interstate-commerce act the railroad company can be required to put in a lateral or connecting track to works where the amount of trade offered justifies it, and where it is not shown to be dangerous and out of the limits of good judgment to put it in. And as a common carrier they would be obliged to transport the product of that independent mine.

Mr. MONDELL. They would be obliged to do that under the rate law now, in the case of private ownership?

Mr. CLARK. The point I am trying to make, Mr. Mondell, is that judging from what has been done it is practically impossible for an individual or a small, close corporation, if you may call it so, to get title to a sufficient acreage of coal lands to warrant putting up proper and sufficient works, unless they acquire it by some such methods as have been adopted in the past, and which certainly are subversive of good morals, if not a tremendously wasteful dissipation of the public domain.

Mr. SMITH, of California. Can you give us a little information as to the cost of working coal mines in the United States? Suppose I had acquired a section of good coal land, how expensive would the works be if I were to install a plant to bring that coal to the surface and deliver it on the cars?

Mr. CLARK. Of course coal mines can be operated on a very small scale. We have testimony with regard to one man who has operated

a small mine in a small way in southern Colorado and who is hauling his product in wagons to a railroad a mile and a half away and selling it to the Colorado Fuel and Iron Company at \$1 per ton. But you can not buy a ton of coal in Denver for less than \$5.50 per ton.

Mr. SMITH, of California. I never saw a coal mine in my life, and I simply asked that question for information.

Mr. CLARK. But the testimony shows that, in a general way, to put up an up-to-date and sufficient coal working to develop a coal property requires an investment of, say, a quarter of a million dollars, and from that up, dependent upon the capacity of the working.

Mr. SMITH, of California. Would that mean some railroad construction?

Mr. CLARK. No, sir; it is the opening up of the mine and putting up the necessary buildings and underground tracks and securing the cars.

Mr. SMITH, of California. How often would a plant of that magnitude have to be repeated in a coal field? How near together would the different constructions be?

Mr. CLARK. If you owned a quarter section here and another there, you would have to put up some works on each independent one, but if you had a large tract, twelve or fifteen hundred acres, you would put up works at a convenient place and perhaps bring all of the coal out of one shaft or one tunnel, depending upon the pitch of the vein. If a vein of coal underlies what might be called a mountain or a hill, a large volume of earth, they seek to get it out by tunneling rather than going down and lifting up their product, because they can go in on a straight line, or on an incline, and bring the product out by gravity in some cases. I am not a practical coal miner; so I am only giving you my idea.

Mr. SMITH, of California. Can you state approximately the tonnage from a quarter section in Utah?

Mr. CLARK. No, sir; nobody could do that with accuracy, because in some instances perhaps there is but one workable vein underlying, while in other places there are as many as five veins.

Mr. BURNETT. Of different thicknesses?

Mr. CLARK. Some of them perhaps not more than 3 feet thick, and some of them 18 feet thick.

Mr. FORDNEY. I think I can answer that question. I have a little interest in a coal mine, and therefore I know something about it. It is considered that a 3-foot vein will produce a ton of coal to the inch in thickness, or 3,600 tons to the acre—screened coal. You can increase that or diminish it with a thicker or a thinner vein.

Mr. GAINES. Let me ask you what caused this coal famine out West?

Mr. CLARK. I attribute it to the combination of several reasons. It is ordinarily spoken of as a car shortage, but the car shortage is only one of the three or four reasons, and to my mind is no more responsible than either of the other three or four. To begin with, in that intermountain country the industrial development has far exceeded the increase in the facilities of mining and transporting coal. The beet-sugar industry has built up a large number of sugar factories, many new smelters have been built, a lot of new railroads have been built throughout Nevada, the railroads themselves are using more coal, and the coal mines have not increased their facilities sufficiently to meet the demands. The railroads are short of cars and short of

motive power, and in many instances their terminal facilities are inadequate for the volume of business which they are trying to move, which causes consequent serious delay.

Mr. MONDELL. Is it not also true that in many places in the West the coal companies are having difficulty in securing a sufficient number of miners?

Mr. CLARK. Yes, sir; and I intend to include that in the coal companies' failure to increase their facilities for getting out coal. They have not arranged in advance, or been able to arrange, for miners to work or do as much as they would like to do. Then, I think that both domestic users and industrial consumers and dealers have neglected to make proper effort, as I view it, to put in a supply during the summer months and be prepared for winter when it comes. They came right up to winter without any supply of coal on hand, and everybody wants coal at the same time.

Mr. GRONNA. I am from North Dakota, and I had a thousand cords of wood that I wished to ship. It was impossible for me to secure cars, so I sold the whole amount to a dealer. He has had just as much trouble to get cars as I had. Another thing, in our State we have what is known as lignite coal. The owners of these lignite coal mines say that it is impossible for them to secure cars for the shipment of that coal. That condition has existed for several years.

Mr. CLARK. Yes; I know that there is great difficulty about getting cars, but the difficulty about getting cars is, in my judgment, due as much to the fact that the cars are tied up in congested terminals waiting to be unloaded as it is to the scarcity in number. In other words, if the existing number of cars could be moved with facility by prompt loading and unloading the situation would be immensely relieved.

Mr. MONDELL. Have you been carrying on an investigation of the car shortage?

Mr. CLARK. Those investigations are to be begun to-morrow.

Mr. MONDELL. At what point?

Mr. CLARK. At Chicago, and then at Minneapolis, Kansas City, and St. Louis, to be followed by others.

Mr. MONDELL. Don't you think that one of the causes of the car shortage at this time is the system now being adopted by a good many western railroads of adding so tremendously to the tonnage of their trains that they do not transport the cars with anything like the rapidity that they did formerly, and therefore that the same amount of rolling stock does not perform the same service that it did a few years ago?

Mr. CLARK. Yes, sir; that slow movement due to the heavy loading of trains contributes to the general delay and slowness of getting equipment about, but the difficulties about unloading are a much greater element.

Mr. GAINES. This is the first time they have had a coal famine out west, is it not?

Mr. CLARK. No, sir; I don't think it is, but I think it is more pronounced and acute than it has ever been before. The testimony in these hearings which we have had will show that the railroad companies undertook to induce the dealers to lay in a summer supply by reducing the freight charges 50 cents per ton during the summer months; but one of the traffic officials said to me they didn't get the

rule in until after the mining companies had permitted a good many of their miners to go away for the summer, not expecting to be able to use them, and it did not work out very successfully. The testimony shows that in the instance of a Mr. Sharp, a coal dealer in Salt Lake City, and as I understand it one of the largest if not the largest dealer in the city, began to pass this 50 cents per ton along to his customers and advertised to sell his coal for 50 cents per ton less than the standard price. He was then informed by the Oregon Short Line Railroad Company that he must discontinue that, that he must sell coal at the standard prices and retain the 50 cents per ton himself. He declined to do so, and the amount of coal which he was able to get for sale began to diminish and diminished to the vanishing point, and he was driven out of business.

Mr. MONDELL. Is it not also true that a good deal of coal now mined in the West is not of a character that can be safely stored for any great length of time, a good deal of it being lignite which slacks, and which must be kept under cover, and that therefore it will be difficult in many regions of the West to ever provide for very much storage of coal.

Mr. CLARK. I think that what you say is true with regard to the storage of the coal in large quantities. When I referred to storage, I had in mind the idea that if during the summer months, when coal can be mined cheaper than it can in the winter, and transported cheaper than in the winter, they made a sufficient reduction in the cost to the consumer to make it an object for him to buy his winter supply, or to get a portion of his winter supply, that they could make storage bins out of the coal bins of individual consumers, and thus avoid these acute situations in the winter when everybody wants coal at once and it is beyond the limits of physical possibility to meet all of their requirements at one time.

Mr. MONDELL. But, as a matter of fact, the method that the gentleman you referred to employed is really the only method that can be practically employed in a large portion of the West, so far as storage is concerned.

Mr. CLARK. Oh, yes; I would not advocate the storage of soft coal in large volumes. Spontaneous combustion is an important element, and some coal slacks badly out in the weather.

The CHAIRMAN. And that is true as to the individual; he does not like to fill his cellar with such coal as we have in Iowa and Illinois, because it is liable to spontaneous combustion.

Mr. CLARK. If he has a considerable quantity.

The CHAIRMAN. He would not care to fill his cellar in the summer time and take that risk, to save a few cents a bushel.

Mr. ROBINSON. Did you find any localities where, by reason of the car shortage, the employees were unable to get employment?

Mr. CLARK. No.

Mr. ROBINSON. You made no investigation of that?

Mr. CLARK. We had some testimony from the vice-president of the Colorado Fuel and Iron Company to the effect that their mines had been shut down for a day or two at a time in numerous instances on account of inability to get cars.

Mr. ROBINSON. Your investigation did not embrace the Indian Territory?

Mr. CLARK. We have not as yet reached that. As you will remem-

ber, the resolution directs the Commission to conduct its inquiry as expeditiously as possible with due regard to other public duties. Inquiries so far began in Pennsylvania last spring. Some investigation and hearings have been held in Kentucky and Tennessee, in Nebraska, Wyoming, Colorado, and Utah. The resolution which instructs us to inquire with regard to the relation between carriers and coal-producing companies made it consistent and desirable that we should follow a definite line of investigation instead of jumping back and forth from one to another, as, for instance, in Utah we confined our inquiries at this time to the territory, workings, and holdings of the Denver and Rio Grande Railroad Company and the Utah Fuel Company. There will be some further work to be done in Colorado in connection with the coal fields of southern Colorado and the properties of the Colorado and Southern Railroad.

Mr. MARTIN. As the result of the investigation in different parts of the country, what do you find as to the average extent of single holdings of coal lands—for example, in Pennsylvania as compared with Utah?

Mr. CLARK. I was not a member of the Commission at the time the Pennsylvania investigations were held, and I have not yet found time to read all of that testimony. But my understanding is that through Pennsylvania there are a great number of what we term independent operators, and the relationship between the coal properties and workings to the transportation companies was found to lie principally in the ownership of stock in the coal companies on the part of the officers of the railroads who were charged with the duty of distributing cars and furnishing transportation for the operators. In Colorado and Utah and Wyoming we found that, generally speaking, the railroads absolutely owned the properties.

Mr. MARTIN. The general tendency everywhere, I take it, throughout the country, is to concentrate large areas of coal lands into single ownership and single control.

Mr. CLARK. That seems to be so.

Mr. BURNETT. That is why the railroads did not want a reduction of 50 cents a ton on that coal in Utah—because they had coal of their own?

Mr. CLARK. They were furnishing their coal to dealers in that city.

Mr. BURNETT. That is what I had reference to. They were selling coal themselves, and they did not want the reduction because they did not want to compete with that reduction; is that the idea?

Mr. CLARK. I should dislike to express any opinion as to what prompted the move; I simply state the facts. The officers of that company, I understand, now face that as a count in an indictment which has recently been voted against them by the Federal grand jury, and I would not like to anticipate any decision.

Mr. BURNETT. They were selling to dealers in the same city, I suppose, were they?

Mr. CLARK. To other dealers; oh, yes.

Mr. GAINES. To what extent are the courts charging the grand juries to investigate this; the State or the Federal courts?

Mr. CLARK. The Federal courts are apparently taking a great deal of interest in it.

Mr. GAINES. For how long back, or when did they begin?

Mr. CLARK. The Federal grand jury was in session immediately preceding and immediately following our hearings in Utah.

Mr. GAINES. How about past years? Did the Federal courts charge the grand juries to investigate?

Mr. CLARK. I would not want to say whether they have or have not, because I do not know; but, judging from the way these things have been going on, I should say that there had been little attention along that line. I don't think it has been brought to the attention of the courts.

Mr. BURNETT. Not much agitation?

Mr. CLARK. No public sentiment demanding it. Those things have gone on in a quiet sort of way.

Mr. ROBINSON. Is this car shortage general in all parts of the country?

Mr. CLARK. Yes, sir; everywhere. It is true not only in the grain-producing sections of the Northwest, but true with regard to transportation of coal everywhere. It is true in the South in regard to the transportation of cotton. Railroads at Galveston, Tex., for instance, are practically choked and steamers lying at the wharves waiting for loading. The railroads are unable to unravel their yards and get the cars on the wharves fast enough to suit the steamboat people who want to load.

Mr. ROBINSON. I understand that in a part of the Indian Territory, and perhaps in some portions of Colorado, miners are only able to work three days out of the week, by reason of the fact that the output can not be transported because of car shortage.

Mr. CLARK. Well, I have no doubt that is true, except in degree and in a different way. The principle is the same. In the iron-producing sections around Pittsburg it is true. We get complaints from individual shippers that want one car, and we get them from those that want many cars. One witness before us in Colorado, a shipper, testifying with regard to their inability to get cars, said that it was their practice to order twice as many cars as they wanted in the hope that they would get half that they ordered, and thus get what they needed.

Mr. FORDNEY. Is it your idea that if the Government shall retain the coal lands and lease them to individuals or private corporations or private concerns to mine and operate the coal on those lands, it will have a great tendency toward reducing those conditions that are brought about now by the monopolies?

Mr. CLARK. Yes, sir; and in addition to that it will conserve the supply of coal for future years, and will inject, especially in this section of the country where coal lands are still held by the Government, an element of competition which has never yet been known there. A large portion of the domestic supply of coal for the city of Denver is mined within, I think, 25 or 30 miles of the city, but you can not buy a ton of coal in Denver for less than \$5.50.

Mr. GRONNA. To what extent should this land be withdrawn? The reason I ask that question is that in my State we have thousands of acres upon the hills containing coal, and the surface is good agricultural land. However, it contains coal, but not of great commercial value, the commercial value of it really being the agricultural value.

Mr. CLARK. The nature of lands under the statute and under all of the practices, as I understand them, is determined by that for

which the land is chiefly valuable. If these lands are chiefly valuable as agricultural lands, the fact that there is some coal underlying them would not stand in the way of their entry as agricultural land. On the other hand, if they are chiefly valuable for the coal deposits, they could not be given as agricultural lands; and on that score I think the Administration, if this policy was adopted, would be governed entirely by the advice of the Geological Survey, who would determine the character of the lands.

The CHAIRMAN. But it does not make any difference whether it is chiefly one way or the other, as long as the mineral land is all held by the United States

Mr. CLARK. My idea would be for the United States Government to withdraw from entry all known coal lands.

The CHAIRMAN. Withdraw what is unknown as well? I mean not the land, but the coal under the land.

Mr. VOLSTEAD. Would it not be better to reserve the right to the minerals in the land? That is a provision that they have in the laws in a good many European countries, and I understand that it is a condition reserved in every patent issued by the Canadian government; they reserve all the rights. Of course, they might reserve the coal.

Mr. CLARK. That is a matter of detail. We feel that these lands have been gained in a very improper, if not absolutely dishonest, method, and that in that way a practical monopoly of the production and transportation of what is an absolute necessity of everyday life has been built up.

Mr. MARTIN. Right on that subject, I would like to inquire whether there are other localities where these questionable methods have been adopted? Do you find them in other parts of the country, these monopolistic conditions in the handling of coal?

Mr. CLARK. Not in anything like the same extent.

Mr. MARTIN. You think not in the Central and Eastern States?

Mr. CLARK. I think not in such States as Illinois, Ohio, and Indiana, where there are great deposits of coal. In those States the number of transportation companies is very much larger. There is direct competition of two or more lines of railroad, and consequently a larger number of properties have been opened up. There is competition, not only in the production, but in the transportation, and if people can not get their coal from one company and via one line of railroad they have an opportunity to get it by another line.

The CHAIRMAN. Last year there were about 42,000 acres of coal taken under the coal-land lease in the whole United States. That amount, of course, was a very small quantity when you consider the vast area covered with coal. Did your investigations find that in those entries under the coal-land law there was any considerable amount of fraud and subterfuge involved, or was the fraud and subterfuge mainly in getting the land under the guise of agricultural land and then disposing of it for coal purposes?

Mr. CLARK. I think on the whole that as much has been acquired in a questionable way under the statehood act or State-selection process as any other. There is no doubt but that a good many tracts have been taken in a bona fide and honest way by individuals in the expectation of developing them later on or possibly with the idea of

holding them as an investment, or to sell them to some other company. But the testimony shows that in some instances men were hired off the street—in the city of Denver, for instance—who made coal declaratory statements, and at the same time executed the required affidavit, and then transferred their rights to land that they had never heard of or seen and received for their services \$4, of which \$1 went to a saloon keeper as his commission for getting them to do that.

Mr. ROBINSON. You spoke a moment ago about the conditions that applied to Denver, and I would like to state in connection with that that I am informed coal is mined near MaAlester, Ind. T., and put on the cars for \$1.77 per ton, but that you can not buy at that mine a ton of coal for less than \$4.50 to \$6.

Mr. CLARK. That is undoubtedly true.

Mr. MONDELL. Would that condition of affairs be changed or modified under a leasing system? That is a question of railroad rates.

Mr. CLARK. Not immediately; no, sir. But some day the necessity for competition will present itself, as they will have approached the end of the productivity of the lands they now hold. This leasing system would not bring immediate relief from those situations, but it would build a foundation for a much better operation in years to come.

Mr. MONDELL. That is a situation which seems to be altogether a matter of railroad rates—a matter which can be reached through the railroad rate law.

Mr. ROBINSON. I am not informed that those conditions are brought about solely by the rate question, but by combination among the operators themselves.

Mr. CLARK. It is not conceivable that they have a railroad rate there for the transportation of coal for a distance of a mile and a half, to which Mr. Robinson referred, that would account for any important part of the difference between \$1.77 and \$4.50 to \$6.

Mr. BURNETT. Wouldn't this encourage the building of other transportation lines also?

Mr. CLARK. Yes, sir.

Mr. GAINES. Mr. Clark, who now has the legal right to withdraw the coal lands in the manner we are speaking of?

Mr. CLARK. I understand that the President has the right to temporarily withdraw them from entry, but that he would be unable to permanently hold them excepting under enactment of law by Congress.

Mr. GAINES. Is there any statute on the subject giving the President the right to withdraw them?

Mr. CLARK. I think that he has that discretionary power. I can not refer you to the statute, but I think he has the right to temporarily withdraw the lands from entry.

The CHAIRMAN. That order has been modified. I have a letter from the Secretary of the Interior inclosing one to him from the President on that subject, and the President will modify that order this morning so as to limit it to coal lands only. The order withdrawing the large bodies of land from all form of entry has been modified this morning.

Mr. CLARK. I think upon inquiry, Mr. Chairman, you will find

that the proper departments of the Government are prosecuting very careful inquiry into the nature of the lands, and that as the days go by the departments and the General Government will be in possession of much more detailed and reliable information as to which lands are really coal lands and which should be withdrawn.

Mr. GRONNA. That is the idea I am interested in. As I said before, we have lands in our State that our settlers are somewhat anxious to get. In fact, I am informed that they can not prove up their claims under the homestead law because of the fact that they contain lignite coal.

Mr. MONDELL. Some two weeks ago—I suppose your settlers did not know; they did not in my State—an order was issued allowing homesteaders to make final proof.

Adjourned at 12.10 p. m.

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COAL LANDS AND COAL-LAND LAWS OF THE UNITED STATES.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE PUBLIC LANDS,
Tuesday, December 18, 1906.

Committee called to order at 10.45 a. m.

**STATEMENT OF MR. EDGAR E. CLARK, COMMISSIONER OF THE
INTERSTATE COMMERCE COMMISSION—Continued.**

The CHAIRMAN. Mr. Clark, you may proceed further, if you are ready.

Mr. CLARK. Mr. Chairman, one of the members of the committee, yesterday, suggested that possibly he might have the testimony taken at the investigation to which I have particularly referred. We would be very glad indeed to furnish it to the committee as soon as it is available, but it is not yet ready, because other hearings taken by the same stenographer immediately prior thereto have not yet been transcribed. However, in a few days the testimony of the somewhat recent investigations into the coal situation will be transcribed.

I do not think there is anything further that I care to suggest, Mr. Chairman, unless to answer such inquiries as members of the committee may desire to make in the premises.

Mr. MARTIN. Mr. Clark, I understood you to say that you favored a legislative policy of leasing the remaining coal lands of the Government. Would it be your idea that in a system of leasing of that character provision should be made limiting the price at which coal should be sold or disposed of to the public from leased lands?

Mr. CLARK. I doubt if I would favor limiting specifically the price, but I think that the Government should, in the lease, or in the act—as might be deemed best—reserve a certain amount of control, so that oppressive or unreasonable conditions could not be imposed upon the users of the commodity.

Mr. MARTIN. What sort of control do you have reference to, if such control did not go to the question of price at which it should be sold?

Mr. CLARK. It would have to go to the ultimate control of that question without specifying in the act or in the law a limit in figures.

Mr. ROBINSON. Could a reservation be made in the law on the part of the Government to revoke the lease in case the operators should be oppressive in their methods of operation?

Mr. CLARK. I think so.

Mr. ROBINSON. Would not that be the most effective way to do it?

Mr. CLARK. I think so.

Mr. ROBINSON. The Interstate Commerce Commission, for instance, might have the power upon hearing to revoke the lease under such conditions.

Mr. CLARK. That was what I had in mind rather than to try to fix in the lease in advance a specified limit beyond which they should not go.

Mr. ROBINSON. Because the price would fluctuate?

Mr. CLARK. Yes.

Mr. BURNETT. If that reservation was in the law, that would then be a part of the lease.

Mr. CLARK. Necessarily; yes, sir. Our idea in that connection is this, that there has been brought out in this investigation much to demonstrate that the present laws and conditions do not permit a company to properly acquire title to a sufficient acreage of the coal lands to justify their being worked economically and efficiently, and there have grown up some very oppressive conditions. There is not only in many instances what we believe to be an exorbitant price, but there is an absolute inability to get what they want at that price, and we think that if the Government would retain title to these lands and lease them in sufficient quantities to justify proper workings, the supply would be conserved, competitive conditions would be injected, and the Government would at all times retain reasonable and proper control of the situation, so that it could correct any monopolistic conditions that might grow up by simple cancellation of the lease or some process of that kind without the roundabout and formal way that must of necessity be resorted to under present conditions.

Mr. MARTIN. Have not the monopolistic conditions in Utah arisen because of the fact that present operators of coal mines in Utah have been permitted to get lands too easily rather than otherwise?

Mr. CLARK. Yes, surely.

Mr. MARTIN. Your suggestion was that the law, the coal-land law, does not permit a party or a company to get in a legal manner a sufficient quantity to operate profitably; but the conditions there at present, of which there is complaint, seem to be that at least one company, or system of companies, has been able to get too large a quantity too easily?

Mr. CLARK. Yes; but by what I term the "questionable methods" that have been employed they have secured titles to a large area of this coal land. Now, if a number of individuals by coal declaratory statements, or cash coal entry, acquired each a quarter section of these lands, and then any company undertook to get all of the quarter sections within, say four contiguous sections of land, they would find it practically impossible to buy up all of those independent quarter sections. Somebody would insist upon an unreasonable price, or somebody would, for some other reason, refuse to sell; and in that way their holdings would not be complete and contiguous, and they could not put up, at a convenient and central point, their workings with a right to work out all the coal in those sections.

Mr. MARTIN. You mean that honest compliance with the coal-land laws would probably prevent a company from acquiring by legitimate means what they would need in order to operate their business?

Mr. CLARK. It would take them several years to acquire proper and legitimate title to the land if they were able to do it at all.

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Mr. ROBINSON. Those conditions have caused them to evade the law and to secure the land at less price or by questionable methods that could not properly be secured in the way they intended to secure it?

Mr. CLARK. They have realized the importance of having a large tract of land to work and they have realized the desirability of keeping out competitors, as is evidenced by instances related in these hearings, where in some cases possession was determined with Winchester rifles.

Mr. MARTIN. I suppose other companies or other individuals could have adopted the same method and acquired large areas of coal lands if they had been in a position to compete with equal transportation facilities?

Mr. CLARK. Undoubtedly.

Mr. MARTIN. So that really the control of the transportation facilities has been the power that has created the monopoly largely, or made it possible, has it not?

Mr. CLARK. Largely so; yes, sir; because the Utah Fuel Company, as an instance directly in point, has, according to the testimony, always enjoyed special privileges at the hands of the railroad company in the way of the transportation of its supplies, rails and lumber, and everything that they have needed for the opening and operation of their works. They have had a uniform freight rate of half a cent per ton per mile, and their rails and fire brick for their coke ovens have been shipped from Pueblo, Colo., and elsewhere on that freight rate.

Mr. MARTIN. If the Government should lease a large and valuable area of coal land to a responsible person or corporation able to build sufficient works to profitably mine the coal, then the party or corporation would have to be immediately provided with transportation facilities or they could not compete?

Mr. CLARK. Certainly; but we assume that common carriers would be required to furnish like facilities, and at the same rates.

Mr. GRONNA. How much of this land should be leased to each concern?

Mr. CLARK. I do not want to be understood to be a qualified expert on that; but I should think if a company wanted to put up what I would call adequate workings, and go into the business as they ought to, they should, perhaps, have 1,200 acres of land—about two sections.

Mr. RUCKER. What is your suggestion with reference to the kind of lease—with a royalty?

Mr. CLARK. That would be my idea, because, as I said yesterday, you would not know exactly what is under the land until it is worked out, and if a lease is made on royalty per ton it is certainly fair to the lessor and the lessee.

Mr. RUCKER. Then, under that reserved power and control which you suggested a moment ago, if the lessee did not mine the coal or did not deal fairly with the Government, your idea would be to foreclose that lease, to annul it, to put somebody else there, or do it themselves? Might it not go to that extreme?

Mr. CLARK. Not unless a special emergency made it necessary in order to avoid actual suffering. It is not necessary for the Government to go into the mining of coal itself in order to furnish competitive conditions. We simply set this forth as the best means, or the only means, to immediately put a stop to enlarging and intrenching these monop-

olies that have been built up, to the creation of others, and to the securing of coal lands from the Government through what might be mildly termed "questionable practices."

Mr. RUCKER. In that connection, these lands that you are talking about now are located in the West? Of course, the Government coal lands are in the West.

Mr. CLARK. Yes.

Mr. RUCKER. What would be the effect if a law of the kind you have suggested should be passed and contracts made under it and those contracts carried out? What would be the effect upon the price of coal in the West under those circumstances, and in the Middle West?

Mr. CLARK. I think it would be materially reduced.

Mr. RUCKER. A reduction in the price of coal?

Mr. CLARK. I do.

Mr. RUCKER. The coal would come in competition with the coal fields in the Eastern States?

Mr. CLARK. More or less.

Mr. RUCKER. And have a tendency to reduce the price in the West. Would that also tend to reduce prices in the East?

Mr. CLARK. I do not think it would reach that far, because the transportation of soft coal to such distances is scarcely possible; in fact, the competition between eastern and western coal would be in a narrow belt right on the edges of where the transportation rates would make it possible to compete.

Mr. RUCKER. Don't you think it unfortunate that the Government has not coal land in Pennsylvania and West Virginia also?

Mr. CLARK. I do. You were not here yesterday, I think, but I then called attention to the fact that in the evidence before us there is the history of one man who is operating a little mine of his own in southern Colorado, hauling his coal a mile and a half in wagons to the railroad and selling it to the Colorado Fuel and Iron Company at \$1 per ton. The freight rate on that coal to Denver is probably in the neighborhood of \$1.50 per ton—I am not positive about that, but it is not far from that—and you can not buy a ton of soft coal in Denver for less than \$5.50 per ton. They are mining soft coal within 30 miles of the city of Denver on the line of the new railroad built north from there, and marketing it in Denver at \$5.50 per ton. The Coal Dealers' Association deny any combination or understanding or agreement for the fixing of prices, but there is the significant fact that they all sell coal at the same price, and you can not buy it at any less price, regardless of where the coal is mined.

Mr. RUCKER. Is that true in West Virginia and Pennsylvania?

Mr. CLARK. I have not had personal opportunity to inquire as to that.

Mr. FORDNEY. If it should be thought wise to so change the laws with reference to coal lands, so that the Government would lease the right to mine coal instead of selling, would you think it wise to put it in the power of some of the chiefs of the Department to make the lease, or that the lease should be made by some individual subject to the approval of Congress?

Mr. CLARK. I should think it better for Congress to incorporate in the law such general and healthy conditions as might be necessary, and delegate to some department of the Government authority to admin-

ister the law and prepare the lease, which, in my judgment, should be in terms identical wherever it applied.

Mr. MONDELL. You called attention to the monopolistic conditions along the line of the Rio Grande Railroad. The Government still owns a large amount of coal land along the line of that railroad, does it not?

Mr. CLARK. Yes; in its neighborhood.

Mr. MONDELL. Still there is a monopoly existing there and it is, I understand, admitted. In what way will that monopoly be affected by reason of the fact that those coal lands belonging to the Government and lying along that road are to be leased instead of sold? In what way can the monopoly be attacked any more effectually by a lessee than by an independent operator who can at present become the owner of lands. The right to purchase those lands along the line of that road, up to the time they were withdrawn, was open to anyone having money and a coal right. In what way would a lessee along the line of that road on any of those lands more successfully attack the monopoly than an owner?

Mr. CLARK. Because, as I have tried to indicate, Mr. Mondell, the Government could lease to a responsible company a sufficient amount of land in one body to warrant that company going ahead and putting up works.

Mr. MONDELL. Yes; but a combination of individuals can take land enough now—six individuals or eight. They can combine now and take a sufficient amount of land under the law for a fairly large operation.

Mr. MARTIN. How much can they take?

Mr. MONDELL. One hundred and sixty acres each. Four persons can take a section, and eight, two sections. That would be sufficient to start a good-sized working; but the trouble is, Mr. Clark, as I understand it, that, owing to the close connection which is supposed to exist between the railroad company and the coal company now operating there, it is difficult to persuade men with capital to enter into competition with existing companies. Now, in what way will capital be invited into the field under the leasing system to any greater extent than it is under a system whereby they purchase the lands and own them outright?

Mr. GRONNA. Just one word before you answer that, Mr. Clark. The railroad companies would not be given a preference in this case that you speak of; that is, we assume that they would not.

Mr. CLARK. Certainly not.

Mr. GRONNA. As it is now they re-lease; and, as Mr. Clark said yesterday, the railroad company practically owns these mines.

Mr. MONDELL. Let us assume that the railroad companies own the mines now operated, but there are tens of thousands of acres of coal lands along the lines of the railroads at this time which can be secured.

Mr. GAINES. Replying to your question in part myself, which you have just asked Mr. Clark, do you not think, Mr. Mondell, that it would avoid monopoly among the lessees if Congress, just as we do in a great many other matters, should provide the form of lease, and impose upon the face of the lease a penalty for doing certain things, and make the lessee subject to criminal prosecution. That, it seems to me, would deter a lessee from assisting in bringing about those conditions; and in addition to that it being a lease, it is a short lived affair.

Mr. CLARK. It is a fact that private capital at present hesitates to invest in coal mining where these conditions which we have been considering exist. There is testimony in our investigations from one man who owns some very desirable and valuable coal land so situated that it can not be served by a railroad track except by crossing a strip of land owned by the Colorado Fuel and Iron Company. He tried to sell those lands, but he found it impossible to either sell them or form a company for working them because of their inability to get a railroad track in there. He went to the legislature of the State of Colorado and secured the enactment of a law which they believed would give him the right to go across the property of this railroad company in order to get to his own coal deposits, and then demanded of the Colorado Fuel and Iron Company the privilege of crossing their land; but it was denied, and he was told to go ahead and prosecute under the law—that the company would resist and challenge its constitutionality. The man who owned the land had no means with which to enter into litigation, so he interested capitalists and took them out on three different occasions and showed them the property; but in each instance as soon as they found out that if they invested in that property they were investing in a legal controversy with the Colorado Fuel and Iron Company, they said they did not want to buy any such litigation. We believe that if the United States Government leases a tract of its coal land to a company for the purpose of working it and mining the coal, and under such conditions that the company would go ahead with the erection of works and the mining and marketing of coal, the United States Government not only could, but would, see that that company had access to the property, and that they had equal opportunities with any others in the marketing of their coal.

Mr. MONDELL. Do you think the Government would have the authority within a State to establish terms under which a right of way could be secured over private land?

Mr. CLARK. I do believe the Government has the right to give right of way to its lands over any land.

Mr. SMITH, of California. Private lands?

Mr. CLARK. Under condemnation proceedings; yes.

Mr. SMITH, of California. It would be under the State law, would it not?

Mr. CLARK. I am not a lawyer, and I would not undertake to decide technical questions of law. But my observation as a layman has been that when a strong corporation wants a piece of property it finds a way of getting it, no matter who owns it. It finds the legal process of obtaining it by some kind of condemnation proceedings.

Mr. SMITH, of California. I do not think there is any State in the Union or any Federal authority for condemning a right of way across a man's property for private use.

The CHAIRMAN. That is not a private use.

Mr. SMITH, of California. Yes; I think that is a private use.

Mr. BURNETT. But the Government would not have a right excepting for governmental purposes.

The CHAIRMAN. That has been fought out in several States, and decided that a lateral railroad built to carry coal is not using property for private use; but the individual or the company who built the road must allow other coal companies beyond it or adjacent to it to use the tracks also.

Mr. MONDELL. But that is under the State statute.

The CHAIRMAN. That is a question of constitutionality.

Mr. MARTIN. There is no doubt but that the Government can condemn private property in a State for their public use. The question is as to whether it is for public use. If it becomes a matter of necessary public policy for the Government, in order to protect its citizens everywhere, to enter into the business of controlling the operation of its own coal mines, it becomes a question of public welfare and public use, in which the Government could condemn.

Mr. GAINES. Just as much so as condemning land to make a lock or a dam in a river.

Mr. CLARK. If the contrary be true, it seems to me that the practical result must be this: That it would be possible for a transcontinental railroad to acquire title to strips of land on both sides of its right of way, and, regardless of the fact that thousands of acres of coal land lie on both sides, thereby prevent any development of such coal lands, except by the building of another transcontinental railroad.

Mr. MARTIN. I would call attention to the fact that the same thing is being done by the Government in the carrying out of the national irrigation law. It is going into States and condemning private property in order that irrigation enterprises may be carried on, although the immediate beneficiaries are the settlers, and the Government gets no benefit out of it except as its citizens get the benefit.

Mr. MONDELL. I would call the gentleman's attention to the fact that all the Government is doing under the national reclamation law is to follow the State statutes relative to condemnation. As I understand the reclamation act, it simply authorizes the Secretary of the Interior to condemn land as an individual or corporation would do it under State statute, and where the authority is not given in the State statute the Government can not condemn under the reclamation law.

Mr. MARTIN. I examined that question very carefully, and in my speech on the floor of the House at the time the irrigation bill was passed a compilation of authorities on the right of the Government to condemn in such cases is given. I personally have no doubt about it. And we put in the national irrigation act a specific provision saying that the Government might take private property by condemnation under those circumstances.

Mr. MONDELL. In my report on the reclamation bill I expressed the opinion, on behalf of the committee, that the provision in the law relative to condemnation did not contemplate any authority on the part of the Federal Government to go into a State and condemn private property, but that it was simply a direction to the Secretary of the Interior to follow the State statute made and provided for such purposes; and that statement was made and argued on the floor during the passage of the reclamation law.

The CHAIRMAN. I was going to suggest, Mr. Clark, that at the last session we had the question up before the Committee on Indian Affairs as to the disposition of coal land in the Indian Territory. A bill was drafted and prepared to sell that coal land. A portion of it had been leased, and the Indians were getting \$50,000 a year royalty. As a member of the committee, I called attention to the fact that if we passed a bill selling all of that land it would deprive the Indians of the lease—it also provided that the leased land should be sold—and that

the land ought to be preserved in its present form until those leases expired.

I drew an amendment providing that the coal lands should not be sold until the last of the leases had expired, but in the meantime the unleased land might be leased. We reported the bill to the House in that form, and it passed the House. It went over to the Senate, and there the complaint was made that if a portion of the land was sold and a portion leased the men who bought the land would have the advantage over the lessees, for they could sell their coal so much cheaper than the men who had to pay the royalty that they would drive the lessees out and deprive the Indians of their royalty, so they passed an amendment in the Senate withdrawing all the coal land absolutely from sale until further acts of Congress, but the coal companies came down here and presented their side of the matter, saying that they who held leases could not possibly compete with the owners of the land in prices and that they would have to go out of business. The claim was made by them that coal was cheaper under ownership as contrasted with leases. Now, in my own State, the highest price for coal will run about \$100 per acre, but the royalty is $6\frac{1}{2}$ cents a ton, and at that price it runs to three or four hundred dollars per acre. The lessees of course have to pay a good deal more for the coal than the owners of the field. I understood you to say that you think it could be sold cheaper under leases than under ownership.

Mr. CLARK. No; I didn't say that, Mr. Chairman. I said that I believed that if competition was in this way injected into the fields where monopolies now exist it would be sold cheaper than it is now sold. It goes without saying that a man who buys coal lands at \$10 or \$20 per acre buys the coal underlying those lands for a great deal less than would be paid by a man who leased them if he only paid a penny a ton.

Mr. ROBINSON. But the present high price of coal is due to monopolistic conditions.

Mr. CLARK. It is not due to the cost of the deposit nor to the cost of mining, but it is a question of transportation, and, if you will pardon a slang phrase, a "lead-pipe cinch."

Mr. RUCKER. Isn't it true that the average price of coal put on board cars at the mines is only about 95 cents a ton?

Mr. CLARK. I should think that was a conservative statement, because, as I say, a man in Colorado testifies that he is making money mining his coal, hauling it in wagons a mile and a half, and selling it at \$1 a ton.

Mr. BURNETT. Would not the owners drive out the lessee, run him down, and drive him out, and in that way have his monopoly again?

Mr. FORDNEY. Six or seven cents a ton would not make enough difference to drive anybody out of the coal business.

Mr. CLARK. I should not believe that that result would be at all probable; but, Mr. Chairman, our idea of this thing is not so much the bringing about of an immediate revolution as a result of these leases as it is to properly conserve for the future. If our Government had fifty years ago reserved some of its forest lands and some of its coal lands, we would have a very different condition to-day with regard to lumber and coal.

The CHAIRMAN. Suppose we should adopt the policy that we have adopted with regard to forest reservations, giving the Executive power

to permanently do that which he has the temporary power to do now, by selecting areas here and there throughout the country and withdrawing a specified area as a permanent coal reservation, thus conserving a very large number of the coal fields, without tying up so much of the country. How would that strike you?

Mr. CLARK. I should think that preferable to continuing the present conditions, Mr. Chairman, although that of course would be with a view entirely as to future conditions and perhaps future generations, and would have no effect upon present conditions.

Mr. SMITH, of California. Isn't this true, that the coal of the country has not been consumed any faster than it ought to be; and there is this difference between the coal situation and the timber situation, that the objection to the cutting of the timber as it has been carried on is not as to the quantity of timber taken, because it has not been taken any faster than the demands of the country require, but simply the slaughtering of all kinds of trees?

Mr. CLARK. I am not at all sure that the same principle does not enter into the coal situation. I am not at all certain that if we could get down to see under the surface as we can see on the surface, we would find that coal has been mined in most wasteful ways, and that mines have been abandoned without even taking the trouble of taking out the pillars.

Mr. MONDELL. Isn't it a fact that there is a very much greater tendency to wastefulness under leases than ownership, the lessee paying only for the coal that he actually takes out, while the owner owning all the coal under his ground, and only owning a limited amount of ground, makes an effort to save all of the coal under it?

Mr. CLARK. I see no difficulty in providing in the terms in the lease that the coal shall be mined clean as the work progresses.

Mr. MONDELL. Is not the tendency to wastefulness greater under the leasing system than under private ownership?

Mr. CLARK. If the lessee should be permitted to do as he chooses, certainly.

Mr. RUCKER. Is not practically every mine in the United States run by some company who pays a royalty on the coal taken out?

Mr. MONDELL. I think not; only a small proportion.

Mr. MONDELL. Do you not think, Mr. Clark, that when the railroad rate law goes into effect relative to the mining of coal by railroads that the conditions which have been complained of in Utah and elsewhere will be largely done away with by the enforcement of that provision?

Mr. CLARK. I think the effect of the enforcement of that law must be in that direction; yes, sir. I believe that the law contemplates and will bring about an entire divorcement of the railroad companies from interest and ownership in coal mines whose products they transport; and that being the case, the effect must be an improvement over present conditions. Competition, I think, will grow up, and privately owned coal lands that are now idle will, more or less of them, be worked. That will be brought about in this way, partially at least: The industrial development is broadening every day, the demand for fuel is growing, and that demand must of necessity be met either by enlargement of present workings or the establishment of new ones. The law prohibiting railroad companies from ownership in these industries removes the incentive for a railroad company to branch out and make its grasp on the situation all the more secure, and the new

demand, or the greater demand, will, I think, very probably be met by new workings which will inject more or less competition into the field; but in order to bring about that condition we must carefully preserve the rights of new companies to use the highways of commerce on the same terms as the old ones.

Mr. MONDELL. Of course, there are railroads in the West that are in no way interested, or understood to be interested, in coal mines along their lines, and in such cases there is competition. That condition exists over a large part of my State at least. Competition exists among the private owners.

Mr. CLARK. I am not acquainted with the facts as to the coal deposits in Wyoming along the lines of the Burlington. We know, of course, that there are coal deposits around Newcastle and in the Sheridan district, but as to the condition of ownership or transportation we have as yet made no inquiry.

Mr. GRONNA. How would the coal miner or the shipper be benefited unless we give the Interstate Commerce Commission more power than they now have, compelling the railroad companies to furnish cars? How can they be benefited under the present law?

Mr. CLARK. Well, I think that the situation will be improved by force of circumstances more rapidly and more effectively perhaps than could be done by legislation. I feel very sure that the officers of the railroads realize that the condition is unbearable and that if it were permitted to occur again it would invite most drastic action, and that everything within the limits of possibility will be done to prevent it. But while I do not pose as a champion of the railroads, I wish to say that in that connection the shippers themselves have as much to account for as the railroads have. You can go to-day to any large railroad terminal, and find cars by the thousands that have reached their destination so far as the carrier is concerned, and that have been there from a week to a month waiting to be unloaded, and upon which demurrage is being paid at the rate of a dollar a day.

Mr. GRONNA. We have in our State a number of lignite coal mines, and it has been impossible for the last five years, to my knowledge, to get cars upon which to load this lignite coal. The coal dealers, or the owners of the mines, load that coal on the cars at 75 cents per ton—although recently, or for the last year or two, I believe it is a dollar a ton—and the freight on the coal over a distance of 135 miles is \$2.12 per ton, making it necessary for the dealers to sell that coal, which is of a poor quality because it contains a lot of water, for at least \$4 per ton. Now, we can get what you call soft coal shipped from Duluth, where they have the long haul, but it is absolutely impossible to get a sufficient quantity of cars for these coal dealers that have the lignite coal.

Mr. CLARK. I have no doubt that that is true, and while I do not want to anticipate action or invite any trouble for the body of which I have the honor of being a member, I would say that if I were interested in that situation the first thing I would do would be to complain as to the unreasonableness of a rate of \$2.12 per ton on coal for a distance of 135 miles.

Mr. FORDNEY. You are an old railroad man, are you not?

Mr. CLARK. I have worked at railroading ever since I was 17 or 18 years of age.

Mr. GAINES. I read in the Star last night that at Kansas City there were hundreds of cars ready to be loaded, and that the railroads did not have engines to haul them with. To what extent is there a lack of engines?

Mr. CLARK. We have in a general way less locomotives than could be used for transportation of the tonnage that offers, but I should not take the statement which you read very seriously.

Mr. GAINES. It was an Associated Press statement in the Star of yesterday.

Mr. CLARK. I should not take it very seriously, because the custom of the railroads in these later days in using locomotives is entirely different from what it was in years gone by. It used to be thought that a locomotive had to go in the roundhouse, like a horse into a stable, every day and be groomed and cared for. Now they have arrived at the conclusion that a locomotive has in her a certain amount of service, it is worth so much money measured in miles, and if they get all of that service out of her in two years, say, they have their money's worth just the same as if they had taken five years in getting it. So they do not nurse their power. A locomotive comes in, the crew changes, they clean her ash pan, clean her fire, give her coal and water, and she goes out on another run. So that in times of this kind, by following that plan, they are not as seriously crippled for lack of power. It is a lack of cars, a lack of facilities for moving the cars through the large centers, and failure to get the cars around promptly. I saw a statement made by a vice-president of one of the largest systems of railroads in the United States within a very few days that it takes longer to get a car of grain unloaded after it reaches the seaboard than it does to send the car back, load it, and get it back to the seaboard again.

Mr. GRONNA. I know of an instance in my State where a carload of wheat was shipped from a certain point to Duluth and it took it seventy-two days to arrive.

Mr. CLARK. I do not doubt that, either. We had a case a short time ago where a man had a car of coal on the road thirty-nine days from the day it was shipped, and it traveled a distance of 350 miles. When it reached its destination the consignee's market for the coal was gone, as it was a special kind of coal. He looked around for a way of disposing of it without unnecessary expense to himself, but he had the car two days over the "free time" and had to pay \$2 demurrage on it. That, again, is the other extreme. As I say, you can not cure this situation by removing any one of the defects that contribute to it. There must be a general contribution to better the conditions.

Mr. MARTIN. Of course the business has grown phenomenally in recent years. I think we all can understand that railroad companies make their money by hauling cars to their destination, and it is very necessary to move things along as rapidly as they can be, because the more you have moved and the quicker you have moved them the more the income of the road is. I think that the responsibility for the congestion lies partly with shippers and partly with the company, and is also partly caused by the phenomenal growth of the country, which seems to be more rapid than we can meet.

Mr. CLARK. I think it is a fair and truthful statement to say that for several years now the railroads have purchased as many cars as could be built for them. I do not think you could get a contract for

500 freight cars to-day with a guarantee of delivery within a year or a year and a half.

Mr. BURNETT. Is that not also true of locomotives?

Mr. CLARK. It is true of motive power; yes.

Mr. FORDNEY. There is a convention of lumbermen called for the 4th of January in Chicago, and it is their intention I believe to request the Government to pass a law providing a penalty upon the railroads to offset this demurrage by neglect of prompt delivery. It is the intention that the penalty will be placed upon the railroads for negligence in using due diligence, just the same as it is upon the shipper or the unloader now. That would help the situation some, would it not?

Mr. CLARK. That question has been considered thoughtfully, and agitated a good deal among shippers for some time. It is what they term reciprocal demurrage. Whether it would improve the situation under present conditions is doubtful. A provision imposing a penalty upon a railroad company for failure to furnish cars when needed, a penalty for failure to transport those cars at a reasonable number of miles per day, would when coupled—as it necessarily would be—with a similar penalty against the shipper who ordered a car and did not use it, and against the man who did not load a car within a proper time after receiving it and did not unload it within a proper time after delivery, would facilitate matters greatly when the transportation facilities and terminal facilities make it possible to carry out the terms of such an arrangement. As conditions are to-day it would be impossible to carry them out. It would simply be a piling up of demurrage and reciprocal demurrage on both sides.

Mr. GAINES. How would it help the situation if Congress should prohibit demurrage, and let the loss by idleness of the car fall on the railroads?

Mr. CLARK. That would make it worse, because if there was no demurrage there would be no way by which a railroad company could require the consignee to unload the car at all, and the only way the railroad company would be able to get the car would be to throw the freight out of it and take it.

Mr. GAINES. That is what one of the officials of a road at Nashville told me they would do if the car was not unloaded.

Mr. SMITH, of California. They have recently raised the demurrage in San Francisco to \$10 a day.

Mr. MONDELL. Has your Commission authority to inquire into the question of car shortage?

Mr. CLARK. Yes.

Mr. MONDELL. And you have already undertaken such an inquiry?

Mr. CLARK. Yes; hearings are being held to-day in Chicago and in St. Louis.

Mr. MONDELL. What authority do you understand you have under the present law to remedy conditions that might be developed from that investigation?

Mr. CLARK. We have not had opportunity or time to determine just exactly what we can do. In general terms the act to regulate commerce imposes upon common carriers the duty of furnishing facilities for transportation, and we believe, or at least we hope, that the Commission's interest in the matter, and its inquiries and expressions, will

have the moral effect of stimulating a greater effort to meet the more crying necessities.

Mr. GRONNA. With your permission may I read a portion of a letter that I received from the chairman on that subject? This is to the President. [Reads]:

As you have already been advised, the Commission has no authority under existing laws to deal strongly with the deplorable situation of car shortage. We have started a proceeding of inquiry under our broad powers of investigation, and sent agents to various sections to ascertain conditions and confer with representative shippers, and public hearings will be held next week by one or more members of the Commission at Minneapolis, Kansas City, St. Louis, and other places.

And then it goes on to say in addition to that they have wired to the different railroad companies.

Now, Mr. Clark, why could not the Government itself, under certain regulations, operate the coal mines of the United States?

Mr. CLARK. Well, I do not doubt that they could, if that was determined upon. Personally I do not favor that idea.

Mr. FORDNEY. It would be just as practical to do that as to take charge of and run the butcher shops downtown.

Mr. CLARK. They might do that too if they saw fit, but I do not know that it would be an improvement upon the present practice.

Mr. GAINES. Suppose that Congress should say to the railroads that cars must be unloaded within a certain number of hours, and it shall be the duty of the railroad company to unload them, and if they are not unloaded that they would become a nuisance, and certainly the authorities would endeavor to stop nuisances. How would that apply to this commercial appendicitis?

Mr. CLARK. I do not want to be understood as expressing any opinion but my own in this statement, nor as expressing any desire to broaden the jurisdiction or authority of the Interstate Commerce Commission. I realize the great difficulties, if not insurmountable difficulties, that would present themselves in any effort to apply such a provision under the conditions that are now existing. But it seems to me that if the Commission was authorized by law to legally fix the rules and terms of demurrage and reciprocal demurrage, we could approach the matter in an intelligent way, and whenever the conditions became normal again the Commission could impose conditions that would greatly improve the present practices.

Mr. GAINES. Have you a plan of such regulation mapped out in your mind?

Mr. CLARK. Only in a general way. I have not undertaken to frame it in terms. I have my ideas of what I would do, but I am only one-seventh of the Commission.

Mr. BURNETT. Let me ask you if your plan previously spoken of would not have this trouble, that it would withdraw a very large area of valuable land from local taxation; it would not be subject to taxes for the State, county, or municipality?

Mr. CLARK. I don't understand that it is taxable now as long as the title rests in the Government.

Mr. BURNETT. I understand that, but under private ownership it is.

Mr. CLARK. Yes.

Mr. GAINES. How much of this land that the Government still owns is entirely surrounded by coal lands which it has sold or disposed of?

Mr. CLARK. I doubt if any important tract is. These lands are taken up in sections and in bodies where they pick out the choicest.

Mr. GAINES. I rather gathered the idea from what you said a little while ago that a good deal of the Government land to which they could build railroads was surrounded by lands disposed of to other parties?

Mr. CLARK. That is an instance where here [indicating] would be a main line of a railroad, and here somebody owns a strip of land like this [indicating], and a private owner owns a strip in here [indicating]. This private owner wants to get across this piece of land with a track to his own land, but under present conditions he frequently is not permitted to do so.

Mr. GAINES. If the Government sold him that land, and sold it in such a way as to have it entirely surrounded by the Government land, certainly the Government would have the right to give him a right of way—or rather the owner would have a right to secure that right of way—without any condemnation proceedings; in other words, here is a certain amount of land, and the Government owns coal land all around it. It is sold. Surely the Government has retained in itself a “right of way of necessity” to that land; the “way of necessity” it is called.

Mr. MARTIN. I would like to ask one more question. Say a company with sufficient capital, for example, in Utah, desires to buy land from the Government and enter into competition with the present monopolistic conditions there. Under the present law, would the Commission be able to protect them in equal transportation facilities?

Mr. CLARK. We think so; yes, sir.

Mr. SMITH, of California. If the mine and the market were both in the same State?

Mr. CLARK. We would have no jurisdiction then.

Mr. MARTIN. But there are no extensive coal operations that do not enter into interstate commerce. There is no company doing an extensive coal business in any State that does not market part of its product in interstate commerce.

Mr. BURNETT. Then, Mr. Clark, you could only regulate that part of his market outside of the State?

Mr. MARTIN. But in doing that they would get to the heart of the problem.

Mr. CLARK. In connection with the remark of the chairman that the committee is not considering the question of transportation, I want to suggest this: That the question of transportation can not be divorced from the mining of coal. Without transportation facilities the coal lands themselves are valueless.

The CHAIRMAN. In other words, I might have said that this committee can not report a bill on the question of transportation. The subject of this investigation now is as to whether we should report a change in the method of disposing of coal upon the public domain. That is as far as this committee has jurisdiction. Of course these other matters come in incidentally.

Mr. Mondell has a statement in regard to withdrawals, which I think ought to be printed in the record, if he will identify it.

Mr. MONDELL. It is a statement that I received at the General Land Office of the withdrawal of areas, supposed to contain workable veins of coal, under the Secretary's orders of July 26, October 10, 13, 15, 27, and November 14, 1906, amounting in the aggregate to something over 64,000,000 of acres.

Following is the statement referred to:

Area of coal withdrawals of townships supposed to contain workable veins of coal under the Secretary's orders of July 26, October 10, 13, 15, 27, and November 14, 1906.

[Compiled by Frank Bond.]

State.	Land district.	Township.	Acres.
New Mexico.....	Clayton	10	230, 400
	Santa Fe	303	6, 931, 120
	Las Cruces	20	460, 800
	Roswell	26	689, 040
	Total	359	8, 311, 360
Montana	Kalispell	24	552, 960
	Missoula	26	599, 040
	Helena	71	1, 685, 840
	Great Falls	261	5, 806, 080
	Lewiston	128½	2, 960, 640
	Miles City	28	645, 120
	Billings	60	1, 382, 400
	Bozeman	85½	1, 969, 920
	Total	674	15, 552, 000
Washington	Vancouver	35	806, 400
	Olympia	26½	610, 560
	Seattle	43½	1, 002, 240
	North Yakima	7	161, 280
	Total	112	2, 580, 480
Oregon	La Grande	16	368, 640
	The Dalles	8	184, 320
	Portland	3	69, 120
	Roseburg	21	483, 840
	Total	48	1, 105, 920
Utah	Salt Lake	203½	4, 688, 640
	Vernal	41½	956, 160
	Total	245	5, 644, 800
North Dakota	Minot	12	276, 480
	Devils Lake	1	23, 040
	Williston	13	299, 520
	Dickinson	24	552, 960
	Bismarck	27	622, 080
	Total	77	1, 774, 080
Colorado	Denver	136	3, 133, 440
	Pueblo	69½	1, 635, 840
	Glenwood	214	4, 930, 560
	Del Norte	0½	11, 520
	Durango	64	1, 474, 560
	Montrose	38	885, 520
	Gunnison	34	783, 360
	Leadville	10	230, 400
	Total	566	13, 085, 200
Wyoming.....	Sundance	67	1, 543, 680
	Buffalo	127½	2, 937, 600
	Lander	81	1, 866, 240
	Evanston	224	5, 160, 960
	Douglas	62	1, 428, 480
	Cheyenne	139	3, 202, 560
	Total	700½	16, 139, 520

Grand total, 64,193,360.

The CHAIRMAN. I also present in this connection, to be printed in the record following that, the statement of the President modifying the order recently made in regard to coal entries.

THE WHITE HOUSE,
Washington, December 15, 1906.

MY DEAR MR. LACEY: I am directed by the President to send you for your information the inclosed copy of a letter he has just sent to the Secretary of the Interior concerning his order withdrawing coal lands.

Very truly, yours,

WM LOEB, JR.,
Secretary to the President.

Hon. JOHN F. LACEY,
Riggs House.

THE WHITE HOUSE,
Washington, December 15, 1906.

MY DEAR MR. SECRETARY: My intention was to withdraw the coal lands from coal entry merely. It was my understanding that this was the effect of my order, for my subsequent directions were perfectly explicit and clear to the effect that we should only interfere with coal entries, my directions being given after Mr. Pinchot returned from the West and I had gone over the subject at length with him as well as with Mr. Walcott. It appears, however, that through a misunderstanding somewhere in the Department the order has been issued in such shape as to forbid all homestead and other entries, which is most inadvisable. Will you please have all the orders commencing July 26, 1906, at once corrected so as to read in accordance with my intentions; that is, to withdraw the lands from coal entry merely, those covering Alaska as well as the other States and Territories?

Please issue this order on Monday morning and have it telegraphed out to the various land offices concerned.

Sincerely, yours,

THEODORE ROOSEVELT.

Hon. E. A. HITCHCOCK,
Secretary of the Interior.

Mr. MONDELL. I think also that the statement should be made here that those lands were originally withdrawn from all forms of entry, filings, or selection; that the order of yesterday so modified former orders that they are now open to all forms of entry, filing, and selection, except entry under the coal-land law. The modification of yesterday is that all forms of entry, filing, and selection provided for by the public-land laws are now allowed, except that no coal declaratory statements or entries are now allowed on any of these lands. In other words, that the coal-land law alone is suspended so far as these lands are concerned.

**STATEMENT OF MR. JOSEPH A. HOLMES, FUEL EXPERT OF THE
GEOLOGICAL SURVEY, OF WASHINGTON, D. C.**

The CHAIRMAN. Mr. Holmes, you have been invited here to appear with a view of giving us information as to the location, area, condition, and so forth, of the coal lands still owned by the Government. We would like to have you proceed in your own way and along your own lines.

Mr. RUCKER. Before you proceed, will you please state your official position and your name?

Mr. HOLMES. My name is Joseph A. Holmes, fuel-testing expert of the Government Geological Survey.

I would say, Mr. Chairman, in regard to the specific point you have just mentioned, that I have not quite understood your desire in regard to the data prepared showing the amount of coal and lignite lands still belonging to the Government. That data was placed in the hands of the Secretary of the Interior with the understanding that the Secretary in person was to be present at this hearing; so that I did not bring with me the tabulated statement. And, with your permission, I should, of course, prefer to have that presented by the Secretary, inasmuch as this data was asked for by him and is in his hands. But the special point which you spoke to me about previous to coming before the committee, and which I suppose you had in hand, related to the actual amount of coal and coal lands existing in the Western States as compared with all of the others, regardless of whether it belonged to the Government or to private parties. So that I have had prepared a general statement relative to that, and my associates, Mr. Campbell and Mr. Parker, both have prepared even more elaborate statements covering that same area.

The small map which was prepared by Mr. Campbell and his associates on the Survey, a copy of which is here, shows in a general way, by the colored areas, the location of the coal and lignite deposits of the United States. You can see in this western part of the area on my right [indicating], with the exception of this large area, which contains only lignite, that the coal areas in the Western States are small.

The CHAIRMAN. It would be well for you to locate it a little more definitely, so that it may appear in the record.

Mr. GAINES. Yes; giving the States.

Mr. HOLMES. Mainly North and South Dakota and Montana. That is the lignite area.

Mr. MONDELL. That lignite area extends clear across the State of Wyoming.

Mr. HOLMES. Yes; Wyoming. I beg pardon, I should have mentioned that too—the two Dakotas, Montana, and Wyoming. Comparing those areas, Mr. Chairman, and the three areas which occupy the eastern half of the United States gives a total something like this: In the Appalachian region—the region occupied by Pennsylvania, the two Virginias, and down to Alabama—we have about 73,000 square miles of bituminous and about 480 square miles of anthracite coal lands.

Mr. BURNETT. What is the yellow area on the map?

Mr. HOLMES. That is the lignite area of the southern fields, including Texas, Arkansas, Louisiana, and so forth.

Mr. MARTIN. As to those large areas in the Western and Middle States, can you give us, approximately, what proportion of the coal deposits of those areas has been exhausted and what proportion still remains for future use?

Mr. HOLMES. That would be impossible, sir, because we have no figures to show the extent to which each individual mine has been worked out.

Mr. MARTIN. You have no estimate on that?

Mr. HOLMES. No; unless Mr. Parker has some kind of an estimate.

Mr. PARKER. We can give the total tonnage, approximately, from the earliest time to the present day, with an estimate as to the acreage represented by it. It would take a little time to figure that out, as I haven't the figures here, but it would be simply an approximation.

The CHAIRMAN. Will you kindly send me those figures?

Mr. PARKER. Yes, sir.

Mr. GAINES. What is the total coal area of the United States exclusive of lignite?

Mr. HOLMES. About 275,000 square miles.

Mr. GAINES. And how much lignite?

Mr. HOLMES. The lignite field of the Northwest contains about 67,000 square miles.

Mr. BURNETT. The lignite is mainly in the West.

Mr. HOLMES. In the West and Northwest.

Mr. RUCKER. What is the difference between lignite coal and anthracite coal—the difference in character or quality?

Mr. HOLMES. The lignite is usually a lighter coal with a considerable percentage of moisture; anywhere from 15 to 45 or 50 per cent of moisture.

Mr. BURNETT. It cokes?

Mr. HOLMES. It does not coke. It is not considered valuable for metallurgical purposes. It represents the transition from peat to bituminous coal.

In the southern area, which you asked about, is supposed to be 30,000 square miles of lignite coal, which would give the total of bituminous coals about 275,000 square miles, and for the lignite areas about 95,000 to 100,000 square miles.

In connection with this there are some figures that it occurred to me might be of interest in their bearing upon this problem. The general points which I wanted to bring out in this connection, and which I thought would be brought to bear on this problem, are, in the first place, the small area of coal in the Western States, as compared with the area of coal in other portions of the country. In the western half of the United States, which would include this area, there are about 40,000 square miles of coal land distributed over that enormous area [indicating on map].

In the second place, I wanted to bring to your attention the small quantity of coal in the Western States and Territories—the small percentage of that coal—which is available for such metallurgical purposes as are connected with iron and steel industries; that is, the small percentage that will make good coke for the manufacture of iron and steel and which is absolutely necessary for the future development of the iron and steel industries in that great western country, where iron ore abounds.

In the third place, to present the fact that the present system of mining that small percentage of coal in the Western States is, to a very considerable extent, wasted in mining operations. I will give you one extreme case of a mine in Montana which I examined about six weeks ago. Out of a possible total of 25 feet of coal, 4 feet was being mined, and the remainder of it was being allowed to cave in, so that it was not possible to mine it in the future on any sort of a practical basis.

Mr. BURNETT. Was that operated through private ownership or by leases?

Mr. HOLMES. Private ownership.

Mr. GRONNA. In speaking of the West, do you include Alaska?

Mr. HOLMES. No, sir. These figures do not include Alaska because Mr. Brooks, who is a member of the Geological Survey, is present,

and is thoroughly familiar with that situation. I believe that they would not add greatly to the total area, as they are only 200 or 300 square miles in extent.

That the enormous increase in the demand for coal for railroads, as well as manufacturing and other industrial purposes has been so great, as Mr. Parker will tell you, and that the tremendous needs of the future will be such as to render it of very great importance to Western States that the coal deposit be conserved in the wisest possible way, is very certain. Furthermore, in the investment of capital in connection with the development of these coal areas, the things which seem to me particularly worthy of consideration are that capital investment may come in for two different purposes—one is, for the actual development of local interests in that great country; the other, capital which may be invested for buying up local interests in order to help manufacturing and other interests in distant portions of the country. Those are possible conditions which we have to face, not from examination, but things we learn about indirectly from time to time as actually in progress. As we know, large areas of coal are being bought up in other States, so far as we can see, for deterrent purposes, rather than to help develop the region.

Mr. BURNETT. About what is the area of the Government holdings of coal lands, the sale of which would be suspended by this order?

Mr. HOLMES. Of course that is difficult to say, because we do not know how many fraudulent claims are going to be held as good in court. Roughly speaking, I should say about 50 per cent remains in the hands of the Government.

Mr. MARTIN. What proportion of the coal land in the West, to which you have referred, is acceptable for coking, or for iron and steel manufacturing purposes.

Mr. HOLMES. So far as at present known I should say it is considerably less than 10 per cent. In the developed areas we are conducting investigations in that particular branch of the work to determine the quality of this coal, and how it can be used most efficiently for different purposes. There are many of these areas that have not yet been opened for investigation, so that we have not been able to get samples for making thorough tests which we hope to make in the near future. That simply emphasizes the importance, until that information is available, of ascertaining what coal areas are acceptable for coking purposes, and for manufacturing industries.

It is a little risky to leave them open with the liability of being taken up in the ways in which they have been taken up in the past, because information which is gained by individuals and not through the Government is information which is available only for the purposes of individuals who have gained it.

Mr. MARTIN. Is any large proportion of that 10 per cent of coking coal still owned by the Government in the West?

Mr. HOLMES. Seemingly there is; yes, sir.

Mr. MARTIN. I would like to ask also whether the lignite coals of the West, to which you have referred, are likely to be suitable and available coals for domestic use throughout that country.

Mr. HOLMES. Yes, sir; but not for iron and steel manufacturing.

Mr. BURNETT. Because they will not coke?

Mr. HOLMES. No; not by any known method. We are trying to develop methods looking to that possibility, and we have shown in

investigations in the past eighteen months that it is possible to develop cheap power from those lignites in gas producers and gas engines, something that we did not know anything about before.

Mr. GAINES. How long have you been making this investigation in the Geological Survey?

Mr. HOLMES. Only two years.

Mr. GAINES. And in that time you have investigated this matter pretty thoroughly?

Mr. HOLMES. Yes, sir.

Thereupon at 12:15 p. m. the committee adjourned.

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COAL LANDS AND COAL-LAND LAWS OF THE UNITED STATES.

U. S. COMMISSIONER OF LANDS,
COMMITTEE ON THE PUBLIC LANDS,
HOUSE OF REPRESENTATIVES,
January 9, 1907.

The committee met at 10.30 a. m.

Present: Messrs. Lacey (chairman), Mondell, Martin, Fordney, Volstead, Smith, French, McCarthy, Gronna, Tyndall, Burnett, Gaines, Robinson.

Present also: Mr. Edward W. Parker, statistician of the Geological Survey; Mr. Marius R. Campbell, geologist in charge economic geology of fuels, Geological Survey; Mr. A. H. Brooks, chief of division of Alaskan mineral resources, Geological Survey, and others.

STATEMENT OF MR. EDWARD W. PARKER.

Mr. PARKER. Mr. Chairman, one of the members of the committee asked me the last time we appeared before the committee for a statement in regard to the total amount of coal land that had been exhausted.

The CHAIRMAN. You will be the first one to appear, will you?

Mr. PARKER. Yes, sir.

The CHAIRMAN. Before you begin I want to present to the committee, so as to put it in the record and have it printed, a communication from the Department giving an account of all the coal land ever entered, making a full report on this whole subject of the coal land that has been disposed of, amounting to over 400,000 acres in the thirty-three years covered by the existing law.

Give your full name, please.

Mr. PARKER. Edward E. Parker, statistician, Geological Survey.

The CHAIRMAN. Now, Mr. Parker, we will proceed.

Mr. PARKER. Of course in making an estimate in regard to the amount of coal there was originally or is now in the ground it is largely a matter of guesswork. We can not be exact in a statement of that kind. Mr. Campbell, who is here this morning, has estimated that if the total coal-producing area were spread out evenly over the productive district, the average thickness of the coal beds would be 6½ feet.

The CHAIRMAN. You mean of the remaining coal?

Mr. PARKER. Of all the coal—that is, of the 335,000 or 340,000 square miles of coal-producing territory—

The CHAIRMAN. Including West Virginia, and all that?

Mr. PARKER. Yes, sir; that the productive coal would average 6½ feet all over that entire area. Now, the average amount of coal per

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acre-foot is about 1,700 tons. That varies somewhat, of course, with the specific gravity of the coals, but we estimate that on an average it would be 1,700 tons per acre-foot.

Mr. MONDELL. Now, that is your estimate of the actual amount of coal in the ground, not the amount that under ordinary conditions would be recoverable?

Mr. PARKER. That is it; yes, sir.

Mr. BURNETT. That is coal of all kinds, as I understand it?

Mr. PARKER. Of all kinds. The average recovery is about 60 to 70 per cent. In some cases practically all of the coal is taken out, or 100 per cent; in other cases it doesn't amount to more than 25 or 30 per cent. In some very thick coal veins, where a large amount has to be left for pillars and for roofs, the recovery is not more than 25 or 30 per cent. In that big lignite area around Adaville, in Wyoming, where the coal bed is about 86 feet in thickness, they can't get out more than 25 or 30 per cent, under present mining methods.

The CHAIRMAN. That 86-foot deposit droops underground?

Mr. PARKER. It comes in from the crop and dips in, I think, at about 20° or 25°. I have never been in there myself. The mine is not being operated at present, I believe, on account of the physical conditions. The lignite slacks very rapidly on exposure, and attempts have been made to mine it, but they have been practically abandoned. They are now attempting to develop means of preserving it.

Mr. GAINES. Who controls this particular mine?

Mr. PARKER. There is a man named Stern who is largely interested in it, or rather his estate; he is now deceased. He was formerly of New York.

Mr. GAINES. Who controls his estate?

Mr. PARKER. His brother, who is living now in Glasgow, Scotland. He makes his headquarters in London.

Mr. GAINES. Is he in with the railroads out there?

Mr. PARKER. No; he has no connection whatsoever with them.

Mr. MONDELL. The fact is, in regard to this particular property, that between five hundred thousand and a million dollars were spent in an attempt to develop the property, but the coal is of such a character that they have not been able to find a market for it under present market conditions.

Mr. PARKER. There is higher grade coal at Kemmerer, not very far away.

Mr. GAINES. How far is it from Denver?

Mr. PARKER. It is in the southwestern part of Wyoming; I don't know exactly how far it is in miles from Denver.

Mr. MONDELL. This coal slacks very rapidly?

Mr. PARKER. Very rapidly. This man Stern has just been over here. He went back to England just before Christmas and took out a patent for the manipulation of that coal by treating it with heavy oil and thus prevent its slacking.

Mr. BURNETT. This slacking is from atmospheric conditions?

Mr. PARKER. From atmospheric conditions; yes, sir. It is the moisture practically evaporating from it. It runs high in moisture.

Now, the average recovery that is obtained from the 1,700 tons per foot-acre is about 1,100 tons; that is the average throughout the United States from the best information that we have.

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Mr. MONDELL. Mr. Parker, I do not want to interrupt your statement, but have you with you a statement of the estimated coal area, in acres, throughout the United States and the various States and Territories?

Mr. PARKER. I have it in square miles, in our report published last year.

Mr. MONDELL. Could that be reduced to acres and made a part of this record?

Mr. PARKER. Yes, sir; but before putting that in I would like to go over the matter with Mr. Campbell and get from him his latest revised figures as a result of the field work of last season. When my report was published last year I did not have the results of the geological work in the field, and those figures will have to be revised somewhat. If the committee will allow me, I would like to present them, say to-morrow morning, and I will reduce them to acres.

Mr. MONDELL. Just make that out and hand it to the stenographer.

Mr. PARKER. Yes; I will put it in as a part of my statement.

Mr. GRONNA. Would this coal land be worth its principal value as coal land and not agricultural land? We have a lot of land in our State where you can find coal, but it is also good agricultural land.

Mr. PARKER. I would not state in every case that the values are higher for coal than for agriculture, or for agriculture than for coal. We would consider them coal lands containing workable coal.

Mr. MONDELL. Your estimate would simply be on the basis of lands known to contain workable veins of coal?

Mr. PARKER. Workable coal; yes.

Mr. GAINES. Can you tell the committee how much of this land in Wyoming is controlled by the railroads or by subsidiary companies controlled by the railroads?

Mr. PARKER. I think that Mr. Veatch has made a statement of that kind. I haven't it with me.

Mr. MONDELL. If the gentleman wishes an answer to the question as to how much coal land in Wyoming has been entered up to this time, I think we can tell him.

Mr. GAINES. I was asking the witness, Mr. Mondell. I haven't up to this time, and I don't think the committee has, any information as to how much is owned by the railroads in that State.

Mr. PARKER. We would probably have to get that from the Land Office.

Mr. GAINES. Who is Mr. Veatch?

Mr. PARKER. He is the geologist. He has been working in that line.

The CHAIRMAN. You couldn't get that from the Land Office, because the railroads acquire land from private parties long after it has been entered—that is, the companies that are subsidiary to the railroad companies. We have the entire area of all the coal that has been entered by anybody.

Mr. MONDELL. The total area of public coal lands which have been disposed of in Wyoming up to this time is 70,941.55 acres.

Mr. GAINES. That doesn't answer my question, Mr. Mondell. I asked the gentleman, and now I ask you, or anybody, how much of this coal land is controlled by the railroads, directly or indirectly. It seems that the railroads are holding up everybody out there.

The CHAIRMAN. There were 16,000,000 acres of coal land withdrawn in Wyoming, estimated as coal land, were there not?

Mr. MONDELL. The Government has already withdrawn 16,000,000 acres of land from coal entry in Wyoming, and only 71,000 of coal land has up to this time been sold. The gentleman can readily estimate how long it would take to absorb the coal area of Wyoming at that rate. In answer to the gentleman's question, I would say that the Union Pacific Railroad owns the coal in its land grant, as all other land-grant railroads do. There is a company known as the Union Pacific Coal Company, which is supposed to be connected with the Union Pacific Railroad, which operates mines along the line of the Union Pacific Railroad.

Mr. GAINES. What are they selling their coal at now, Mr. Mondell?

Mr. MONDELL. It is my understanding that the average cost of coal at the mine is from 25 cents for slack to about \$1.10 to \$1.50 a ton for run of mine and screened coal.

Mr. GAINES. Where—at the mines?

Mr. MONDELL. At the mines.

Mr. GAINES. Well, at the railroad termini—along the railroads—how much do they sell it for?

Mr. MONDELL. That depends upon the rate to the particular point in question.

Mr. GAINES. It came out in Mr. Clark's testimony the other day that a private owner somewhere near Denver sold his coal and hauled it to Denver at \$1.50, and the railroads charge \$5 or \$6, and the people are freezing to death for want of it.

Mr. MONDELL. I know nothing of that condition.

Mr. GAINES. That is the way they do, I want to say, at the mines in Tennessee; but when it gets to Nashville they have to pay \$4 or \$5. So it is a general complaint.

Mr. VOLSTEAD. You folks haven't any business to complain. We pay \$10.

Mr. GAINES. Well, that is not right, you know.

Mr. ROBINSON. Have you any figures, Mr. Mondell, of the proportional area of coal lands owned and controlled by the railroads or their subsidiary companies?

Mr. MONDELL. I am not informed on that point, but I should say, as a guess, that of the 70,000 acres that have been entered under the coal-land law in Wyoming, the Union Pacific Coal Company possibly owns 3,000 or 3,500 acres.

Mr. BURNETT. And is that virtually the Union Pacific Railroad?

Mr. MONDELL. I have no knowledge of that fact, except that the general understanding is that the Union Pacific Railroad controls it. On the other railroads in our State, I understand, the roads have no connection whatever with the mining of coal.

The CHAIRMAN. Who controls the Newcastle mines?

Mr. MONDELL. The Newcastle mines are owned by Kilpatrick Bros., of Beatrice, Nebr. The coal mines at Sheridan—there are four mines there—are owned by various private parties. The coal mines at Big Muddy are owned by private individuals; also those at Glen Rock; also the coal mines at Kemmerer and North Kemmerer. The latter are owned by Mr. Kemmerer—

Mr. PARKER. Of Pennsylvania?

Mr. MONDELL. Of Pennsylvania, and his associates. The mines at Diamondville and in that locality are, I believe, the property of Montana copper people.

The CHAIRMAN. Proceed, Mr. Parker.

Mr. PARKER. Continuing, I would state that the recoverable coal is estimated at 1,100 tons per acre-foot, which would be, at an average of $6\frac{1}{2}$ feet per acre, 7,150 tons of coal recoverable per acre of the coal lands. Our total production, as near as we can estimate it, from the earliest times to the close of 1905, was 5,970,000,000, and a few odd thousand tons, which, divided by this 7,150 tons per acre, would make about 835,000 acres of coal worked out in the United States to the close of 1905. That does not include, of course, 1906; the statistics are not prepared yet. That is 1,300 square miles. That, as I say, is simply based upon the best estimate we can make as to the average thickness of the coal beds; it may be somewhat more than that, or it may be less, according to the average thickness of the beds in the different States. We do not know exactly the acreage that has been worked out; that is as close as we can estimate on that question.

Mr. GRONNA. This is all kinds of coal lands, Mr. Parker?

Mr. PARKER. That is all kinds.

Mr. GRONNA. How much of that is lignite and how much is bituminous, and how much is anthracite coal?

Mr. GAINES. That was answered the other day by some gentleman.

Mr. PARKER. I can't divide that into lignite and bituminous, because, as a usual thing, our lignite and bituminous statistics are put together. I have a statement for the last two or three years, showing how much lignite has been produced—what the percentage has been. But of that total of 5,970,000,000 tons, 1,775,000,000, in round numbers, is anthracite; Pennsylvania anthracite.

The CHAIRMAN. Have you an estimate of the western anthracite, or any of it?

Mr. PARKER. The western anthracite amounts to about 75,000 to 100,000 tons per year; it is comparatively small. It is insignificant as compared with the production of the Pennsylvania anthracite.

Mr. MONDELL. It is mostly in Colorado and New Mexico, is it?

Mr. PARKER. Colorado and New Mexico; yes. Now, in 1905 that production was about 75,000 tons—50,000 tons in Colorado and 24,415 in New Mexico. The lignite and what is called subbituminous we class as lignite or brown coals, and the black lignite, such as you have in Wyoming and in Montana and Colorado—that production in 1905 was a little less than 7,000,000 tons, out of a total of 392,000,000 or 393,000,000 tons. Wyoming was the largest producer of lignite, with 4,000,000 tons of lignite and subbituminous coal.

Mr. MONDELL. That is the output for 1905?

Mr. PARKER. 1905; yes. Of course we are just now collecting the statistics for 1906.

Mr. BURNETT. Do you mean up to June 30, 1906?

Mr. PARKER. No; those are calendar years. Statistics are all regulated by the calendar years.

Mr. GRONNA. I see that in our hearings on December 18 we have some figures about the coal lands in the United States from Mr. Holmes, but I don't think he included Alaska.

Mr. PARKER. Mr. Brooks would be able to answer any questions in regard to Alaska.

Mr. MONDELL. Have you any information as to the present operation and ownership in the bituminous fields of the Appalachian Mountains and Mississippi Valley?

Mr. PARKER. Not as to the area owned by them. Of course I have the names of all the operating companies and statistics of their production, which are furnished to us confidentially; but I have no information in regard to the acreage owned by them, whether by individuals or by companies controlled by railroads. They give me the production, the value, the number of men employed, a statement in regard to their strikes, mining machinery, etc.

The CHAIRMAN. Now, Mr. Parker, the legal situation we are up against is this: The President has suspended all entries under the coal-land laws; and under the coal-land laws a very small portion of the coal is being taken—a little over 40,000 acres the last year and only 400,000 acres, in round numbers, in thirty-three years—so that the coal is not disappearing very rapidly under the coal-land laws. Now, the order was modified so as not to interfere with the taking of land under other laws. Of course you can't take coal land under other laws legally; but is it not true that there is a very large area of this estimated coal that you have been speaking about here that is not known or classified as coal and can't be because it is not visible; it would require enormously expensive prospecting to determine that it really was coal?

Mr. PARKER. We can estimate fairly closely as to whether or not the lands contain coal. Of course as to whether or not they can be profitably worked and to get exact information in regard to them they have got to be prospected by diamond drills or by drifts or by other methods. But a geologist, by studying the area, can determine with a considerable amount of exactness whether or not those are coal lands.

The CHAIRMAN. He can do that for geological purposes, but when you come to administering the laws—I am speaking of that now—the question comes up: Suppose some man goes and settles on a quarter section of land, claiming it to be agricultural land; there is no cropping, and no coal cropping within 10 miles, but the geological conclusion was that that entire region was coal.

Mr. PARKER. I would rather have one of the geologists who is familiar with that kind of work answer those questions. Mr. Campbell, who is here, can tell more about that.

The CHAIRMAN. As a matter of fact, they are allowing entries on that class of land under the homestead laws.

Mr. MONDELL. Mr. Parker, did your immediate division have to do with the preparation of the plats on which the recent withdrawals were made?

Mr. PARKER. I went over, with Mr. Campbell and some of the other officials of the Survey, the maps—our geological maps, etc.—and with Doctor Hayes upon the request of the Department for information.

Mr. MONDELL. Now, I understand this to be the fact with regard to the first withdrawals—that in the first instance, the withdrawal of July 6—was it?

Mr. GRONNA. July 16.

Mr. MONDELL. July 16. That withdrawal was a withdrawal of practically every township of land in the United States within which

there had ever been a filing or an entry under the coal-land laws. If there had only been one filing and no entry in a township, the entire township was withdrawn. Isn't that true?

Mr. PARKER. Well, we simply reported those townships that contained coal, so far as we knew.

Mr. MONDELL. Well your information on that subject was obtained entirely from the records of the General Land Office that an entry or a filing or declaratory statement had at some time been made?

Mr. PARKER. If my memory serves me right, we also used the record of the Survey showing where production had been carried on and mines had been operated.

Mr. MONDELL. Of course, wherever an entry had been made there was likely to be production. Owing to the manner in which the withdrawals were made, it follows that a great deal of land thus withdrawn was not coal land, because a coal vein might occur at the north, south, east, or west extremity of a township, dipping away from the balance of the township; and there might be a quarter section or a half section or a section of coal on the extremity of the township and no coal at all elsewhere in the township; so that you might withdraw an entire township, where there was coal only on a half section or a quarter section; or you might withdraw townships that contained no coal at all, but where, for prospecting or some other purpose, at some time an entryman had made a coal declaratory statement, but had not found sufficient coal to pay for entry, and therefore had abandoned it. But of course that would be included in the withdrawal; so, as a matter of fact, the withdrawal did contain a great deal of land that was not coal land.

Then, following that, there were withdrawn tracts of land connecting these disconnected townships in which entries had been made. For instance, the first withdrawals in Wyoming were about Cambria, about the operations at Aladdin, and about entries in the vicinity of Sundance, and entries and operations elsewhere, including lands in the Sheridan field, at Dietz, Monarch, and Kearney. Then later those detached withdrawals were connected, I suppose on the assumption that if the vein occurred over a territory in detached areas it might be assumed to be continuous. You also withdrew lands where operations were going on in the vicinity of Clearmont, Gillette, Moorcroft, where no entries have ever been made, but where filings have been made. You also withdrew land west of Meeteetse, where some entries had been made; north of Thermopolis, where some entries had been made, but no operations so far, and in the vicinity of Cody, where small operations have been going on. You connected these various areas up by simply including all the land between them, assuming—of course, that must have been your assumption—that the vein was probably continuous between these isolated points.

Mr. PARKER. Most of those additional withdrawals were the result of the work of the geologists in the field during the last season. There were half a dozen of them out there, were there not, Mr. Campbell?

Mr. CAMPBELL. Yes.

Mr. PARKER. Throughout that district. And from the information that they were able to obtain we reported to the Secretary that those lands would be considered as coal lands, upon the request of

the Secretary for that information. Of course we didn't withdraw them.

Mr. MONDELL. No; I understand. You didn't even recommend it?

Mr. PARKER. No; we simply reported to the Secretary the best information we had.

Mr. MONDELL. Of course you have not the information on which accurate withdrawals could be made, otherwise you would have withdrawn all this area in here [indicating on map]; because from the head to the mouth of Powder River, at least from this point to this point [indicating] on Powder River, where you have left the territory entirely open, there is one continuous series of coal croppings. You are never out of sight of coal croppings along that entire extent of Powder River.

Mr. GAINES. Mr. Mondell [referring to map], what does that black marking up there mean?

Mr. MONDELL. Those are the lands which have been withdrawn from coal entry.

Mr. GAINES. What are the red lines?

Mr. MONDELL. The red lines indicate lands withdrawn by the Reclamation Service; the green areas are withdrawn for forest reserves.

Mr. GRONNA. While we are at it, what are the yellow lands?

Mr. MONDELL. Indian reservations.

Mr. FRENCH. The white lands?

Mr. MONDELL. That is what is left. [Laughter.] That is what the settler can secure if he can escape the sleuths of the Interior Department. [Laughter.]

Mr. ROBINSON. Those lands belong to the Government?

Mr. MONDELL. They all belong to the Government. The people so far have only acquired, in thirty years, 70,000 acres of coal lands; the Government has withdrawn 16,000,000 acres, and there are at least 5,000,000 acres more of coal land; so that at the rate at which the coal land has heretofore been taken in Wyoming it will take a few thousand years to exhaust it.

Mr. ROBINSON. Those figures that you are quoting apply to Wyoming?

Mr. MONDELL. Yes, sir. It would take several thousand years for the coal lands to be acquired under the land laws at the rate at which they have been acquired up to the present time.

Mr. ROBINSON. That consummation probably won't be reached during your service in Congress. [Laughter.]

Mr. BURNETT. He will be in the Senate by that time. [Laughter.]

Mr. GAINES. Mr. Mondell, if this is such a coal-land country, why is it that the coal is so very dear?

Mr. MONDELL. Coal is not dear in Wyoming except as railroad rates may make it dear.

Mr. ROBINSON. What is the market price of coal there now?

Mr. MONDELL. We pay, in my town, \$4.50 a ton to \$5 at retail, according to the grade. Loaded on cars at the mine, about \$1.50 is the maximum in ordinary times.

Mr. PARKER. One dollar and thirty-one cents was the average price last year for Wyoming coal at the mines.

Mr. MONDELL. You understand that distances are great there. Some of our coal is hauled 500 miles within the State. We are not going into a discussion of the railroad rates in this hearing, I assume.

Mr. GAINES. Well, what are the rates? I would like to know.

Mr. MONDELL. The average coal rate in Wyoming is not, I think, high, though it is high for short hauls. I should say that the average on long hauls is less than a cent a ton a mile.

Mr. GAINES. But from the evidence we have here it seems the rate is just the same for the coal in Denver, when it is hauled only a few miles on the railroad, as it is when it comes a long distance.

Mr. MONDELL. We do not furnish the Denver market with coal. I don't know as to conditions there.

Mr. ROBINSON. Does the price of coal vary in Wyoming, on the market, in proportion largely to its distance from the mines?

Mr. MONDELL. Well, I don't want to take the time of the committee to go into the question of freight rates.

You know, of course, that all railroad companies make what they call flat rates on coal; that is, starting at a certain distance from the mine, they make the same rate for a considerable distance and then they start in and make another flat rate. And therefore sometimes towns not very far distant from a mine will pay approximately the same rate for coal that a town a hundred or two hundred miles farther away would pay.

Mr. ROBINSON. Provided it is in the area of the flat rate?

Mr. MONDELL. Yes, sir. Of course that is a question of transportation.

Mr. GAINES. The other day, when Mr. Clark was here, Mr. Robinson asked him some questions, stating that at the mines at McAlester, Ind. T., the coal was put on the cars for \$1.77 per ton, but that you couldn't buy any at that mine for less than \$4.50 to \$6. Mr. Clark, in reply, said that it was not conceivable that they should have a railroad rate there for the transportation of coal for a distance of a mile and a half, to which Mr. Robinson replied that that would not account for this difference between \$1.77 and \$6 per ton. So you see there is something radically wrong out there; I don't know what it is.

Mr. MONDELL. What I wanted to bring out, Mr. Chairman, was along the line of the chairman's statement with regard to the partial restoration of the 64,000,000 acres of coal land originally withdrawn from all forms of entry, filing, and selection. The President, after his attention was called to the fact that this withdrawal was from all forms of entry, filing, and selection, instructed the Secretary of the Interior to modify that order and restore this area, as large as the Empire of Germany, to all forms of entry, filing, and selection, providing it was not coal land as a matter of fact, in which case it could not legally be entered under any of the other laws. Then I wished to point out the reason for that modification. The necessity for the modification of that order lies in the fact that, with the information the Interior Department now has it is impossible for them to tell offhand, here in Washington, the amount of that land which has actually been withdrawn which does contain coal of merchantable value—marketable coal. And from my personal knowledge of the situation in Wyoming I know there has been a very great deal of land withdrawn in my State which does not contain coal. In the vicinity of my home town, for instance,

there has been a large area withdrawn. I live here [indicating], and prospectors have been busy over this territory for twenty years trying to find some coal. With the exception of a comparatively small area which was discovered twenty years ago, and which has been mined continuously ever since, there is——

Mr. PARKER. That is at Sundance?

Mr. MONDELL. No; that is the Cambria field. It is the lower end of that same geological formation, the western sweep of the Black Hills. With the exception of the Cambria field, the most careful prospecting for the last fifteen years has failed to develop any coal of value, but those lands were all withdrawn. The country, as a matter of fact, is an agricultural country; people are endeavoring to settle there, and the settlers were deprived of the opportunity to make entry. And, further than that, the homesteader, whose statutory period was expiring, and who might by reason of the expiration of the statutory period lose his land entirely, was debarred from making a final entry on his lands.

Mr. BURNETT. What is that, the order of the Executive?

Mr. MONDELL. That was the order of the Executive. So that not only were the laws absolutely abrogated and repealed, but under that repeal a settler who was approaching the close of the statutory period on his claim was debarred from making his final entry and proof.

Mr. GAINES. Mr. Mondell, did you ever see one pocket of coal where there was not another pocket somewhere around?

Mr. MONDELL. Well, I think it is often true in coal lands that there may be a great distance from one pocket of coal in a formation to another pocket of workable thickness. This particular Cambria vein is a very interesting proposition. If the gentleman had time, I would like to tell him all about it.

Mr. GAINES. Well, I know you will do it. [Laughter.]

Mr. MONDELL. If the committee had time. But this is one of the cases where a coal formation of very great extent——

Mr. GAINES. Now, if one of these little pockets will last twenty years, it seems to me those very pockets would be very valuable for the Government to save for the people.

Mr. MONDELL. Of course, the question of the Government saving them for the people is a proposition that I suppose we will have to discuss. There is no very great danger of the coal supply in Wyoming being exhausted.

Mr. GRONNA. I want to say, in reply to the question asked by the gentleman from Tennessee, that I am sure that there was really a hardship in this withdrawal. Now, in my State of North Dakota, between July 1, 1873, and September 30, 1906, 63 entries were made under the coal-land laws, amounting to 3,921.84 acres.

Mr. BURNETT. Where was that?

Mr. GRONNA. In North Dakota.

Mr. MONDELL. How much was withdrawn?

Mr. GRONNA. There was withdrawn under the President's order of July 26, 1906, over 1,000,000 acres.

Mr. MONDELL. Have you figured out how long it would take to enter it at the rate of the past?

Mr. GRONNA. I haven't figured it out. But I want to say this, that there has been considerable hardship on account of that ruling, and

when the President's attention was called to it he modified it. Now, there were a number of our people in North Dakota who had lived there five years and were able to prove it; and of course they were stopped from proving it.

Mr. MONDELL. I do not want to take the time of the committee further than to say that while 16,000,000 acres have been withdrawn in Wyoming, a great deal of that land does not contain coal; but there is land in Wyoming that does contain coal, unquestionably—where the coal crops as big as life.

Mr. PARKER. Our parties have not covered the entire State, you see. It is a large State.

Mr. MARTIN. Mr. Mondell, I understood you to say that coal was sold at \$4 a ton in your town.

Mr. MONDELL. I was refering to coal of the Sheridan field, which costs retail from \$4.50 to \$5 per ton.

Mr. MARTIN. How far is that from the mine?

Mr. MONDELL. That is 175 miles from the Sheridan mines; 7 miles from the Cambria mines, but we can't ordinarily get coal from Cambria because it is contracted for steam purposes.

Mr. TYNDALL. What do they do with the coal that is mined there?

Mr. MONDELL. That is used for steaming purposes on the railroads and elsewhere.

Mr. MARTIN. What do they get for it at the Sheridan mines?

Mr. MONDELL. All the way from \$1 to \$1.50 a ton, ordinarily. It is higher now owing to the great demand.

Mr. MARTIN. Can anyone buy the coal right at the mine if they desire it?

Mr. MONDELL. Oh, yes. The rate from Sheridan to my town, as I understand it, is \$2, which added to \$1.50 at the mine makes \$3.50, and when they sell for \$4.50, which they do in considerable quantities, of course it leaves a profit which is really drayage. At times, in smaller quantities, that coal sells as high as \$5, but it is simply a difference of the retailer's profit.

Mr. GAINES. How far is the nearest mine from your town?

Mr. MONDELL. The mine that we get our domestic coal from is 175 miles.

Mr. GAINES. I thought you said it was about 9 miles.

Mr. MONDELL. The Cambria mine is 7 miles away, but that does not produce coal that we use for domestic purposes.

Mr. GAINES. What does that coal sell for at the mine and in your city?

Mr. MONDELL. It would depend upon the kind of coal. The slack coal from that mine would cost us—a high-grade steaming slack—about 75 cents a ton at the mine and about \$1 in town. A high grade of sifted coal would cost us about \$1.25 at the mine and a little less than \$1.50 in town.

Mr. GAINES. How do you travel from that mine to your city?

Mr. MONDELL. By rail.

Mr. PARKER. Mr. Chairman, I would like to call the attention of the committee to one important feature in connection with the coal-mining industry, relative to the possibility of the exhaustion of these areas. Now, of course, at the rate of production during the last year or two, our coal supply would last, as near as we can estimate, between four and five thousand years. It doesn't look as if there is

any immediate danger of its exhaustion. But we have got to consider that the coal production of the United States has practically doubled every ten years. In the ten years ending in 1905, from 1896 to 1905, the total production was practically equal to the entire output from the earliest times to the close of 1895. Now, if that rate of increase were to continue—we do not know, of course, what the future is going to bring forth—but if that rate should continue to practically double every ten years—there is a slight decrease in the ratio of increase in production—the total supply would be exhausted within the next century. We can't say that that enormous rate of increase will continue, but if it should, that would be the result. We know that at the present rate of production the anthracite areas of Pennsylvania will be exhausted in the next seventy-five or one hundred years.

Mr. MARTIN. Mr. Parker, what proportion of the American production is exported annually?

Mr. PARKER. Very small.

Mr. MARTIN. Do we import as much as we export?

Mr. PARKER. Not quite. We exported in 1905, 2,229,000 tons of anthracite and about 7,000,000 tons of bituminous coal. It is between 2 and 3 per cent of the entire production.

The CHAIRMAN. How much was the export?

Mr. PARKER. Altogether about 9,000,000 tons; 9,200,000 tons. The imports have been largely from Nova Scotia into Boston; a large amount of slack coal is brought in from Nova Scotia to the coke ovens in Boston, and also from Australia, British Columbia, and England; to the Pacific coast it comes in largely as ballast—good low freight, in order to carry our wheat, etc. The total imports were 1,650,000 tons. That is, long tons.

Mr. MARTIN. In this problem of the probable consumption of our American supply of coal, does not the question of coking coal cut quite an important figure on account of its relation to manufacturing?

Mr. PARKER. Yes; that is true. Of course, we figure that the Connellsville basin will not last more than twenty-five to forty years more.

Mr. MARTIN. What proportion of the American coking coal, so far as we now know, is already in private ownership, and what proportion is still owned by the Government?

Mr. PARKER. The coking coal lands of the West, I think, have already been largely taken up; I don't know exactly what proportion. There are large areas of high-grade coking coal in western Virginia and eastern Kentucky that have not been developed yet.

Mr. MARTIN. Are they in private ownership now?

Mr. PARKER. Very largely.

Mr. MARTIN. So that a large proportion of the coking coal, so far as discovered, is already in private ownership, is it?

Mr. PARKER. I could not say exactly, because we don't know how much of the areas that are not developed through to the Appalachian district are coking coals or what may be coking coals; and the coals that compare with Connellsville or with Pocahontas as coking coals are comparatively few.

Mr. MONDELL. Isn't it a fact, Mr. Parker, that there is very little coking coal on public domain?

Mr. PARKER. I should say yes; but I am not—

Mr. MONDELL. It is very small now compared with coking coals in private ownership?

Mr. PARKER. And the coking coals in the far West are comparatively few.

Mr. MONDELL. There is no coking coal to amount to anything except a thin vein in Montana, a very little in Washington, and small areas in Colorado and New Mexico.

Mr. PARKER. At Cokedale, in Washington, they are doing some.

Mr. MONDELL. It is low grade. There is practically none in Wyoming except in the Cambria field; there is very little in Colorado.

Mr. PARKER. In Wyoming there was about 11,000 tons used in 1905.

Mr. GAINES. What per cent of coal lands, and what kind of coal lands, are owned by foreigners?

Mr. PARKER. That I don't know; it would be almost impossible to say.

Mr. GAINES. And by boring those, to ascertain whether those lands in Wyoming were agricultural or coal lands, you found they were coal lands as marked on the map there. What test did you put to them to find out that they were coal lands?

Mr. PARKER. Mr. Campbell will be able to answer that more intelligently than I can.

Mr. GAINES. Did you bore for them?

Mr. CAMPBELL. No, sir.

Mr. GAINES. Did you use the customary rules?

Mr. CAMPBELL. We simply used our observatory powers, that was all.

Mr. GAINES. That is the usual method?

Mr. CAMPBELL. That is the usual method, as far as I know.

Mr. PARKER. There were no borings made.

Mr. BURNETT. It was a surface examination, wasn't it?

Mr. PARKER. Yes, sir.

Mr. GAINES. It was plain enough for you to see they were coal lands?

Mr. CAMPBELL. Some of them.

Mr. MARTIN. In compiling your statistics, have you attempted to get any information as to the extent of ownership of coal lands by particular companies and individuals, or has that subject not yet been gone into?

Mr. PARKER. No; as I say, as far as the areas are concerned I have no information.

The CHAIRMAN. Mr. Parker, here is a problem that has been presented to me: The coal lands have been entered or locations made in Alaska on the unsurveyed lands under bills passed heretofore extending the coal-land laws, attempts being made to run railroads 170 miles into the interior to get that coal for use. The land has all been withdrawn, and they are shipping coal now from Australia to Alaska—Australia and British Columbia.

Mr. PARKER. Mr. Chairman, Mr. Brooks, who has charge of the geological work in Alaska, is here, and he can probably give you a good deal of information.

Mr. GRONNA. In North Dakota we have no coal that is fit for coke; it is simply used for steaming purposes.

Mr. PARKER. I think it is altogether lignite.

Mr. GRONNA. Lignite; yes.

Mr. MONDELL. The amount of coking coal under public domain now is insignificant?

Mr. PARKER. I should say so. Of course I can't tell exactly.

Mr. GAINES. Do you know what per cent of the coal lands of Tennessee is owned by the railroads?

Mr. PARKER. No, sir.

Mr. BURNETT. There are no public lands in Tennessee, are there?

Mr. GAINES. No; they are all so valuable that there is some one on them; as they are in Alabama, I understand. [Laughter.]

Mr. CAMPBELL. She has been one of the large coal producers for several years and increasing quite rapidly in production now.

The CHAIRMAN. Mr. Parker, is there anything further?

Mr. PARKER. No, sir; unless the committee desires to ask me any questions.

STATEMENT OF MR. MARIUS R. CAMPBELL.

The CHAIRMAN. Now, Mr. Campbell, you may proceed.

Mr. CAMPBELL. My work on the Geological Survey is that of geologist, and for the last two or three years I have had charge of the coal work, so that I have personal knowledge of a number of the coal fields of the country, especially in the West; and so I hope to give you some facts from my own personal knowledge.

The thing that I wish particularly to call your attention to is the small area of our western coal fields, despite the fact that Wyoming has an immense territory. This is represented fairly well on this small map which I have before me here. The eastern fields, of course, we do not need to consider, because they are all taken up—practically all in private ownership, I suppose—and the western fields, with the exception of this big lignite area in North Dakota and Montana, stretching down into Wyoming, is comparatively small.

This map possibly misrepresents that slightly, because of the fact that some of those fields that appear to be little shoestrings here are really deep basins in which we only know the coal on the outcropping two sides; it is deeply buried in the center, and it is a question whether it will ever be available. It is also misleading in the State of Washington, for the reason that there the coal measures are deeply buried by glacial drift of the west side of the Cascade Mountains, and they are only known where the streams have cut through, thus exposing the coal. Now, it is quite probable that this band of color here, that represents the coal, should extend down on the wall along the west face of the Cascades, but we don't know that positively. And not only that, but the rocks there are greatly folded, and you almost always find the coal beds dipping at a high angle, and we don't know the number of coal beds. The other fields are fairly well known.

Mr. MONDELL. Have you made an estimate of the known coal areas on public domain?

Mr. CAMPBELL. We have given no attention to the question of ownership.

Mr. MONDELL. No; but as to the area of coal fields on the public domain?

Mr. CAMPBELL. That would be a question of ownership, would it not?

Mr. MONDELL. How much coal there is—how many acres there are on the public domain?

Mr. CAMPBELL. I have recently made estimates of the area of all these western fields.

Mr. MONDELL. Of all of them?

Mr. CAMPBELL. Yes, sir; of all of them, as well as I could from the data at hand. Some of the figures are quite exact; some are not so at all. Now, the question of the public domain, as I understand it, would mean how much the public still retains and how much has passed into private ownership.

Mr. MONDELL. Compared with the entire area it is infinitesimal.

Mr. CAMPBELL. I understand there was an estimate made last year, but I didn't make it myself—I think it was made by Mr. Holmes, Mr. Pinchot, and one or two other gentlemen—that about 50 per cent of that was on the public domain. I know nothing of that myself. I have never made any estimates.

Mr. MONDELL. Fifty per cent of what?

Mr. CAMPBELL. Fifty per cent of those coal fields are still owned by the United States—by the Government.

Mr. MONDELL. I don't see how anybody could have made any such estimate as that. There has only been half a million acres entered, and you have already withdrawn 64,000,000 acres.

Mr. CAMPBELL. Isn't it possible that a good deal of that has been taken up under other than the coal-land laws?

Mr. MONDELL. I don't think so. I have never heard any suggestion of any very large area taken that way.

Mr. GRONNA. Are those estimates made by States?

Mr. CAMPBELL. Yes; they are made by States.

Mr. GRONNA. How many acres have you in North Dakota?

Mr. CAMPBELL. I have it in square miles. I have it for each of the Western States. In North Dakota there are about 35,500 square miles; practically all the western half of the State.

Mr. MONDELL. Will you file that statement?

Mr. CAMPBELL. Mr. Parker, I believe, was asked to.

Mr. PARKER. That is the one that I promised the chairman I would revise according to Mr. Campbell's latest estimates.

The CHAIRMAN. Then, practically all the west half of North Dakota has been withdrawn from settlement?

Mr. CAMPBELL. No; I think not.

Mr. GRONNA. Almost all—pardon me for “butting in,” if I may use that expression—almost all the western part was withdrawn, including lands that had been taken by homesteaders, which is absolutely fit for agricultural purposes—that is, the surface of it. This land, while it may contain coal, while there may be coal underneath, is land on what we call the semiarid region upon the mountains east of the Missouri River, and I don't believe that it will ever have any value for merchantable coal.

Mr. GAINES. Mr. Campbell, you spoke a moment ago about coal lands being taken up as coal lands; that about 50 per cent were not on the public domain, and in which coal had been taken up as coal lands, but that other lands that were also coal lands had been taken up otherwise. Now, what does “otherwise” there represent?

Mr. CAMPBELL. I don't know myself. I know it is currently reported in a good many places in the West that much of this coal has been obtained under other than the coal-land law.

Mr. GRONNA. I could answer that question, Mr. Gaines.

Mr. CAMPBELL. Mr. Clark has presented a good deal of that before this committee.

Mr. MONDELL. Mr. Clark, in his testimony here the other day, when asked if he knew of any considerable area which had been acquired otherwise than under the coal-land laws, except these areas in Utah that were acquired under the land law, said that he didn't hear while he was out there of any such considerable areas and had no knowledge on that point.

Mr. CAMPBELL. I have no personal knowledge, but under my direction there was some data found regarding the lands of Wyoming which, according to the records of the Land Office, were taken up as homestead entries.

The CHAIRMAN. The coal lands in Kansas have been taken up as homesteads, haven't they?

Mr. CAMPBELL. I don't know.

The CHAIRMAN. And the coal land in Iowa has been sold and occupied as farms?

Mr. CAMPBELL. In that Uinta County field there was some of that coal taken as homestead entries. The coal may not show exactly an outcrop on that land, but it underlies it. I believe a good deal of that has now passed into the hands of the coal company, and they are holding it as coal land.

Mr. GAINES. In other words, it passed from homestead land into coal land, and is held by coal people?

Mr. CAMPBELL. I may say that that has not been a part of our investigation, but incidentally we have come across cases.

Mr. GRONNA. In making that statement do you refer to North Dakota? [Laughter.] I will simply say that there is none of that in North Dakota.

Mr. CAMPBELL. I don't know about North Dakota.

Mr. MONDELL. In regard to the particular field that the gentleman now refers to, if I understand the location, those entries were all the subject of careful hearings before the land officials, and the decisions as to the character of those lands were made after full hearing by the Land Office officials.

Mr. GAINES. Does that apply to the cases where they hire a woman to go out and preempt land?

Mr. MONDELL. I don't know what cases the gentleman has reference to.

Mr. GAINES. And hire a saloon man to go out and preempt land and come back and sell the claim out in some lawyer's office?

Mr. CAMPBELL. I will say that this case I speak of was not obtained on hearsay. The field was surveyed accurately and the coal crop was determined accurately by our men, and the fact that that was taken up as homestead was from the records of the land office.

Mr. MONDELL. How much of such land was there in any particular field which was taken as homestead that you concluded from your examination was coal land?

Mr. CAMPBELL. I couldn't tell you exactly the amount.

Mr. MONDELL. A hundred acres—a hundred and sixty acres?

Mr. CAMPBELL. You know there were several parcels of it, some of them 40-acre tracts and some larger.

Mr. MONDELL. Two or three hundred acres in the aggregate?

Mr. CAMPBELL. Possibly. I haven't the figures here.

Mr. MONDELL. That would not exhaust the coal fields?

Mr. CAMPBELL. Oh, no. Now, there is a point about these western coal fields that should be borne in mind, in which they differ very much from the coal fields of the East, and that is the variability in the quality of the coal. For instance, throughout the Appalachian field the coal is fairly constant in quality. Of course some parts are better than others, but it is fairly constant. The Illinois-Indiana field is fairly constant, and the Iowa, Missouri, and Kansas field is fairly constant in quality. But the western fields differ a great deal right in the field itself. One part of the field may be an excellent bituminous coal; the other part of the field may grade off into lignite, as probably many of the gentlemen know.

Mr. MONDELL. Isn't it also true that if the two fields could be laid side by side most of the western coals would not be mined at all at this time?

Mr. CAMPBELL. Under present conditions; yes, sir.

Mr. MONDELL. They are almost invariably inferior to the eastern coals, particularly from a steaming and coking standpoint?

Mr. CAMPBELL. Yes, sir; that is my understanding of the case.

Mr. MONDELL. In the first place, there is none of the very high-grade bituminous coking coal, which is so valuable in the East, except some very limited areas in New Mexico and Colorado; and, second, there is comparatively little of the western area in which there is even good stocking coal?

Mr. CAMPBELL. Regarding coking coal, there is probably none in the western fields that would equal the coking coal of the East. But there is quite a quantity of fairly good coking coal in Colorado and in New Mexico; there is some in Utah; there is possibly some in Wyoming; a little in Montana, and some in Washington.

Mr. MONDELL. There is one small field in Wyoming that has been worked a little.

Mr. CAMPBELL. That is Cambria?

Mr. MONDELL. Yes; but the coke, as you possibly know, did not find a steady market.

Mr. VOLSTEAD. Do you know to what extent that coking coal was on the public domain?

Mr. CAMPBELL. No; I have no figures for it, although my impression is that there was very little of it. Wherever I know it, it is being worked, because it is in demand, and has been taken up, and I doubt if there is hardly any. Of course you must understand that it is a question what is coking coal, and what may not be coking coal to-day may be coking coal to-morrow; because there are improvements going on. Right at Kemmerer they are putting up this year, I believe, 150 ovens.

Mr. MONDELL. But, in a general way, there isn't any coal that is not generally recognized as having some coking properties that will ever make first-class coke.

Mr. CAMPBELL. Under present conditions. Various patents have been issued on so-called noncoking coals, and it may possibly be done.

Mr. MONDELL. There are also men engaged in attempting to bring

about a perfection of so-called perpetual-motion appliances. [Laughter.] They are two experiments along somewhat the same lines.

Mr. ROBINSON. You don't say it is impossible that improved methods may hereafter be adopted, but that they are now positively not coking coals?

Mr. CAMPBELL. That is pretty certain, but they have succeeded in coking by more careful use. It is a peculiar operation. Take two men with an ordinary beehive coke oven and one man will make coke out of it and the other man won't.

Mr. MONDELL. What you mean to say is that there is a limited amount of coal that is on the border line between coking and non-coking coals that may possibly some day be coked, but so far as the ordinary lignites are concerned, nobody has any notion of ever being able to make coke from them?

Mr. CAMPBELL. They haven't succeeded in coking it, and probably will not.

The CHAIRMAN. Isn't it true that, taking ton for ton of lignite and bituminous coal, there is more gas in the lignite and more power can be gotten out of the lignite than out of the bituminous coal?

Mr. CAMPBELL. No; I think not.

The CHAIRMAN. By first gassing it, I mean?

Mr. CAMPBELL. Yes. It can be raised in efficiency very much by converting it into gas; but I don't think it will ever equal good bituminous coal. A good bituminous coal served in the same way will yield much better results. In fact, I have a diagram here that shows something about that, and it will also show something about the possible values of these brown lignites of North Dakota. I think it is quite possible that these may have a much greater value in the future than they have at present, and, possibly, not in the very far future; because in the work that was done at St. Louis, in the coal-testing plant, we got some surprising results, and I believe that that means that the present power is going to be superseded by the process of reducing to gas. I have here a diagram of some 73 tests at St. Louis, most of them both steam tests and gas tests on the same coal. For instance, here is the very best coal; that was the West Virginia coal; and there was a certain amount of power produced in the steam plant, and there was so much power produced in the gas-producer plant, or three or four times the efficiency.

Now, this is true, that some parties think that those values could be increased 50 per cent by a condensing engine, possibly; but even if it can be doubled, they are still not in the same class. Here are a number of coals; this runs down to Texas, and North Dakota lignites at the bottom. The showing of those is not so great compared with the West Virginia coal; and yet, in comparing the results obtained in the producing plant with the results obtained by this coal under the steam boiler, we got the surprising result that more power was obtained from North Dakota lignites when used in the producer plant than was obtained by the very best West Virginia coal.

Mr. ROBINSON. What do you mean by the producer?

Mr. CAMPBELL. The producer is a circular, air-tight furnace—this producer was 250 horsepower—in which the coal is partially burned, and the gas obtained in that way. It is a very cheap apparatus; that is, it is very cheap to operate. It is nothing like a distillation plant, or anything like that. It is not like illuminating gas.

Mr. MARTIN. The system is to produce the gas and then burn the gas?

Mr. CAMPBELL. In a gas engine.

Mr. SMITH. You mean explode the gas?

Mr. CAMPBELL. Yes, sir.

Mr. MONDELL. Is the cost of using the fuel under that process much greater than it is when used directly in a boiler?

Mr. CAMPBELL. No, sir; the costs are about the same, except the initial cost of the plant. The initial cost at present is very much greater for the gas plant, and for that reason it will not come into immediate use, and there is also the uncertainty in regard to what the gas engine and the producer will do. People are suspicious of that and probably justly so. The producer is passing now through a serious stage of development. The Westinghouse people installed a gas engine four years ago and they have changed twice since then. It is passing through the same rapid development that the bicycle did at one time and the motor cars at another, and the results that we have obtained here can probably always be duplicated, and probably will be improved. So it seems to me that there is a very promising outlook for these low-grade coals in the near future. Now, that is going to add to the value of very much of the North Dakota and Texas lignites, and also the low-grade Montana, New Mexico, and Washington coals.

Mr. GAINES. In other words, you mean to say that the low-grade coal that you have in Montana and Texas, etc., can probably be made as useful as the West Virginia coal, which is the best?

Mr. CAMPBELL. As at present used in the steam boiler; yes, sir.

Mr. MONDELL. That is, for certain purposes?

Mr. CAMPBELL. For power.

Mr. MONDELL. Yes; for power.

Mr. GRONNA. For steam purposes?

Mr. CAMPBELL. For the production of power.

Mr. MONDELL. You can't use them for the smelting of ores?

Mr. CAMPBELL. Possibly not. That remains yet to be tested.

Mr. MONDELL. That is, under any process we now have?

Mr. CAMPBELL. Of course, this method of producing gas has long been used. Go to Pittsburg, for instance, and you will find it used there in the iron furnaces, in the rolling mills, for reheating, and all that sort of thing. It may be that gas will finally be adopted generally—either gas from oil or gas from coal.

Mr. GAINES. Mr. Chairman, I would like very much for Mr. Campbell to put this table in the record. It is a very interesting and valuable thing in many ways, and is certainly a very intelligent exposition of the geology of coal.

Mr. VOLSTEAD. It is a fact, is it not, that the moisture in the lignite is very much more than in anthracite?

Mr. CAMPBELL. Oh, yes. North Dakota lignite, for instance, as it comes from the mine, runs from 38 to 42 per cent of water. It will dry down in ordinary transit to about 35. Then, of course, if you keep it under very dry conditions it will dry down still further than that, but not under ordinary conditions. Of course that water has to be gotten rid of, and it is a detriment in almost every way. It seems now that under the producer that water may not be such a detriment as when burned in a furnace.

Now, coming back to my main point, while these low-grade coals are going to be increased in value, at the present time the high-grade coals in the western fields occupy a comparatively limited area, and the best of them are, as far as I know, already taken up in private ownership. Here is a large area in New Mexico; the coal here close to the La Plata Mountains is pretty good in quality. There is coking coal there at Durango. It is mined there in several places, but as you go south it decreases in value, and down at Gallup it is a light coal. If you have traveled over the Santa Fe you have seen the sparks from it flying from the smokestack under forced draft. It is a very light coal.

Mr. GAINES. What do you mean by private ownership?

Mr. CAMPBELL. I don't think I can explain it in any simpler terms.

Mr. GAINES. Do you mean a railroad corporation, or a private concern run by a corporation?

Mr. CAMPBELL. Not necessarily. I have no data as to that private ownership.

Mr. ROBINSON. You mean other than Government ownership?

Mr. CAMPBELL. Other than Government ownership.

Mr. MONDELL. A large area of coal land in New Mexico was contained in the old Mexican grants, as I understand—the Maxwell grant and others.

Mr. CAMPBELL. The Maxwell grant covers a large part of that Raton field.

The CHAIRMAN. But that coal goes with the grant?

Mr. CAMPBELL. Yes, sir.

The CHAIRMAN. The Mexican grant doesn't include the gold and silver, but it includes the coal?

Mr. CAMPBELL. Yes. Well, some of that is quite valuable, but I don't know that there are any large Mexican grants in this field. Now, in the Colorado field that is quite variable. In this region, in the Gunnison field, they have anthracites and coking coals, but as you get away from that, in both directions, the quality decreases, and then again it increases over west in Utah to good coking coals, where the Utah Fuel Company are coking at Castle Gate. Up north by Glenwood Springs, and up toward Meeker, the quality is poor. The Lake County fields probably will soon be developed and produce a good deal of good coal—some anthracite and some good bituminous coal—but as you get away from the mountains it decreases in value. The Wyoming coals have been very well exploited here. I don't know that I can add anything. Those along the Northern Pacific road are fairly good coals, but as you get out away from there you get into lower-grade coals. Up in this region the coals are rather low grade. [Indicating.] This is another of those great big basins, in which the coal is in the center. That is known as the Big Horn Basin.

Mr. MARTIN. Why did you leave out the coal in the center in marking it?

Mr. CAMPBELL. The main coal-bearing rocks dip toward the center of that. We presume it goes through there.

Mr. MONDELL. Have you ever been down the Powder River?

Mr. CAMPBELL. I am not personally familiar with that region.

Mr. MONDELL. The coal in the southern end of this field, the Big

Horn Basin, in the vicinity of Thermopolis, is quite as good as the average on the line of the Union Pacific.

Mr. CAMPBELL. That is true.

Mr. GAINES. Mr. Campbell, I see there you leave a white spot in a black circle. What does that white spot indicate?

Mr. CAMPBELL. The center of this great basin.

Mr. GAINES. Is coal underneath that?

Mr. CAMPBELL. Yes, sir; but it is probably very, very deep. That, of course, opens up a large question as to how deep we can consider it workable coal.

Mr. GAINES. How deep is the coal in the black circle?

Mr. CAMPBELL. It varies. It crops in various places around there and then dips under. Those measures that bear the coal are quite possibly a mile in all. This [indicating] is not one of those deep basins; it is very broad, but it is shallow. And we consider that this is coal all through here. There may not be coal at every point.

Mr. GAINES. Why didn't you put the black on that, or whoever made that map?

Mr. MONDELL. That map was made by the Land Office, and it shows the lands which have been withdrawn from entry as coal lands.

Mr. CAMPBELL. We have records in our office of good coals in all of this region [indicating].

Mr. MONDELL. What region is that?

Mr. CAMPBELL. It is rather difficult for me to give that a name.

Mr. MONDELL. That is the Tongue River?

Mr. CAMPBELL. Yes.

Mr. BURNETT. That is in the northeastern portion of the State?

Mr. CAMPBELL. Yes, sir.

Mr. BURNETT. What do those in the northwestern part of the State represent?

Mr. CAMPBELL. Forest reserves, I think. There are coals in here of which we only have reports, but I suppose they are pretty good fields—right south of the Yellowstone Park.

Mr. BURNETT. Does the coal go up into the Yellowstone?

Mr. CAMPBELL. I think there is no coal within the boundaries of the park. There is some just on the north side of it, and there is some very close on the south, but I think there is none in the park itself. In Montana the coals are extremely variable in quality. In the eastern part of the State there is a coal similar to the brown lignite of North Dakota, turning into black as you go west; and there are areas in the northern part of the State, along the Great Northern road, that contain those low-grade coals. There are some fairly good coals in Montana, but those are largely being worked at the present time, so far as I know.

Mr. BURNETT. Are they lignite in Montana, too?

Mr. CAMPBELL. The large areas are lignite, but the smaller areas are good bituminous coal. I think they have no anthracite in that State. The Washington coal lands, as I have stated before, are probably much larger than we know anything about, but they are variable, too. As you get away from the Cascade Mountains the quality decreases. There is some good anthracite there and there is also some fairly good coking coal.

Mr. BURNETT. Your investigations haven't been so full in Washington. Is that the reason?

Mr. CAMPBELL. As I tried to explain a while ago, that country is covered by from one to two hundred feet—or possibly more in places—of clay, glacial drift; and where the streams come down from the Cascade Mountains they cut through that, exposing the rocks below; and that showed coal beds, and of course operations have been begun on those. The prospecting, though, between these areas has not taken place yet, but probably will be done some time. It is quite possible they will find it continuous.

Now, if you will permit me, I would like to attempt to answer some questions that were propounded to Mr. Parker, and one of them is regarding the ability of the geologist to tell about these conditions underground.

Mr. BURNETT. Before you pass to that, do you know anything about the coals in Alaska?

Mr. CAMPBELL. I shall have to refer you to Mr. Brooks, who is personally familiar with that. I have never been in Alaska.

In many cases, like this Big Horn basin, we are called upon to pronounce upon the condition in the center of that basin. That basin is 50 or 60 miles across in its widest part and a hundred miles long. The coal-bearing rocks outcrop around the margins of that field and dip toward the center. Now, we can't see them in the center. In many cases like that they have not been drilled, and it is a question, of course, whether they are there in workable condition—whether they are there at all, and then, again, how deep. Now, the way that we try to determine that is much the same as the individual owner would determine it, or a mining engineer—simply to get all the evidence, weigh it, and then decide what are the probabilities in the case, because, of course, we can't get positive evidence.

Mr. MONDELL. Mr. Campbell, if the Government were to amend its coal-land laws with the view of retaining coal in public ownership, to be disposed of under a royalty system, wouldn't it be necessary, in order to accomplish that end, to retain by reservation in the patent issued all of the coal in all lands hereafter disposed of in those regions, at least those general regions containing coal? Wouldn't that be the only practical way to reserve the coal?

Mr. CAMPBELL. That was my idea, that all coal should be reserved.

Mr. MONDELL. That would be the only way in which it could be done, would it not?

Mr. CAMPBELL. That would be the only way.

The CHAIRMAN. Now, Mr. Campbell, I have endeavored to meet that by three different propositions: First, a bill to withdraw the land and reserve it for leasing; second, a bill to withdraw alternate townships, to enable the Government to retain in its own ownership one-half of all the remaining lands; third, another bill providing that the President may designate areas of coal reserves similar to our forest reserves, in which areas the coal alone would be reserved, the surface being disposed of to homesteaders and others. So there are three methods, and you say that is the only method.

Mr. MONDELL. Your proposition, as I understand it, Major, is to retain the coal lands as such?

The CHAIRMAN. No; the surface would be occupied. At present a man can't take a quarter section on that land there under any existing law. There are 16,000,000 acres that no man can enter unless he is willing to pay \$10 or \$20 an acre; and it is not worth one-fourth of

that. This would withdraw half of that land at one time, leaving the remainder open to coal-land laws or other laws that might be applicable, and the half then withdrawn would be at once thrown open to homestead settlement, so that the surface might be taken. The homesteader would not be hurt, because he couldn't take it at all now under any law; and after that he might take the surface, with the right to have it undermined, excepting his buildings, by the Government or by the lessees.

Mr. GAINES. You don't propose for the Government to lease any of it, Mr. Lacey?

The CHAIRMAN. To lease, in the one instance, all of it; in the second instance, the coal-land reserves; and in the other instance leasing the alternate townships, thus retaining one-half of the coal in Government ownership and preventing monopoly for all time to come.

Mr. MONDELL. I guess I didn't make myself very clear. The proposition was this: That the only really effective way to retain the balance of the coal on the public domain in public ownership, other than the reservation of vast areas which may not contain coal at all in order to get the areas that do contain coal, would be to allow the surface to be taken, but reserve the coal under the surface of all of the land. That would effectively retain in public ownership all the coal.

Mr. CAMPBELL. That was as I understood it. The conditions in Washington, I think, illustrate that admirably, because we do not know to-day how much is coal land. We can't make any estimate that is worth anything on it. We simply know that certain areas here and there have been developed, and it is quite possible that they go between, but we can't say positively. But if all of the coal was reserved, it would not matter how those were disposed of.

Mr. MONDELL. If we had done that years ago in Iowa and Illinois and Tennessee and Kentucky, the Government would still own the coal in the lands of Iowa, Illinois, Tennessee, and Kentucky.

Mr. BURNETT. But would anybody be working them?

Mr. MONDELL. That is the question.

The CHAIRMAN. Wouldn't there be this difficulty about it? One suggests that they would not be worked, and another man thinks they would. Wouldn't it be to the interest of the owner of the land to always conceal the fact that there was coal there, because it would be a detriment to his farm to have it undermined, and instead of the present stimulus to exploration you would have a suppression of exploration? Every man would be insisting that there was no coal on his land.

Mr. VOLSTEAD. Would it not be better if the Government would allow the owner of the land a royalty on the coal?

Mr. GAINES. I would like to ask a question, Mr. Chairman. Colonel Collier, from whom I quoted yesterday, and who, with private capital started at Tracy City, asserted that General Tracy, of New York, for whom the city was named, started what is known as the Tennessee Coal Line Railroad concern, which is private capital. They are up in the Cumberland Mountains, near Mount Eagle, and they are getting out as fine coal there, I presume, as there is anywhere in the United States.

Mr. CAMPBELL. That is right.

Mr. GAINES. I happen to know. All the development so far has been by private capital, and I suppose always will be.

Mr. PARKER. A large amount of the coal mined to-day is mined on royalty. The mining companies do not always own the land. They lease it from the farmers who own the land.

Mr. MONDELL. Have you any figures as to how much and where?

Mr. PARKER. No; I have no data on that subject.

Mr. ROBINSON. Will you make an estimate as to the proportion, Mr. Parker?

Mr. PARKER. I couldn't tell that exactly. I might be able to gather the information; it would take some time to do it.

Mr. BURNETT. Is it not a fact that in all the Pennsylvania coal mines the operators own the fee?

Mr. PARKER. No; in the anthracite region large quantities are on royalty. The Philadelphia and Reading Coal and Iron Company owns a large amount of land, and that was the reason that they were put into the hands of a receiver several times, trying to meet the payments on the dead capital they had invested in coal lands.

The CHAIRMAN. What is the usual royalty in that anthracite region?

Mr. PARKER. Some of it runs as high as 40 cents a ton. I do not know what the average is.

Mr. MONDELL. How about the West Virginia field; is that mostly owned in fee?

Mr. PARKER. To a considerable extent in fee, and a great deal of it is mined on royalty. They pay from 6 to 8 cents a ton.

Mr. MONDELL. To the farmers?

Mr. PARKER. Royalty; yes, sir.

Mr. GRONNA. It is owned by small farmers?

Mr. PARKER. Small farmers.

Mr. GRONNA. How about Pennsylvania?

Mr. PARKER. In Pennsylvania a great deal of it is mined on royalty.

Mr. MONDELL. Do you know the condition in Iowa and Illinois?

Mr. PARKER. I do not. I know that some is mined there on royalty. I got a statement of that kind several years ago for the Secretary, who was making an investigation regarding royalty rates that should be paid on Indian Territory land.

Mr. MONDELL. Do you know of any case anywhere in the United States where a large plant has been established with the view of mining coal entirely on royalty?

Mr. PARKER. I can not state specific instances, but I could probably gather some information for the committee.

Mr. MONDELL. You do not know of any enterprise of that kind?

Mr. PARKER. No.

Mr. GAINES. How is the situation in Tennessee?

Mr. PARKER. I do not know exactly how much of the land down there is owned by the mining companies. I do know that some is mined on royalty, but what percentage I can not state.

Mr. GAINES. I wish you would find out and let the committee know.

Mr. PARKER. I will try to do so. I will look up the census reports; they may give some information as to how much is mined on royalty.

Mr. GRONNA. Speaking of the coal mines in Pennsylvania, how much money does it take to successfully operate one of those mines?

Mr. PARKER. That varies largely, according to the extent of the operations. In the anthracite region the cost of development is much larger than it is in the bituminous regions. They have to put up breakers, and so on. There is one mine in Pennsylvania that is mining a million tons of coal a year, and over.

Mr. GRONNA. Can you give us an idea of the cost of development as between the bituminous and the anthracite?

Mr. PARKER. I would say it would take \$200,000 to \$500,000 to properly develop a good-sized mine.

Mr. GRONNA. And how much land must they have in order to successfully operate these mines?

Mr. PARKER. I should say not less than 2,500 acres.

Mr. MONDELL. That is bituminous, is it?

Mr. PARKER. Yes, sir.

Mr. GAINES. It takes very little money, though, for a man to go out on his own land and dig the coal out.

Mr. PARKER. Oh, yes; just as it takes very little money to run a country bank.

Mr. CAMPBELL. There are hundreds of mines in this country that haven't cost \$2,000. They don't put in any ventilation plants or anything of that sort.

Mr. BURNETT. Those are cases where the operator and the landowner are the same?

Mr. CAMPBELL. Yes.

Mr. BURNETT. Now, in cases where, as the chairman suggests, perhaps the landowner does not want it mined, would there not be a great deal of trouble about the rights of ingress and egress, and all such matters, that would probably retard development, that would not come up in the case of a private individual?

Mr. CAMPBELL. Yes.

Mr. BURNETT. Now, here is a private individual who owns the surface, but doesn't want them in there. Would there not be a great deal more trouble in the way of dimensions and right of ingress and egress than there would be where he is attempting to lease from the owner?

Mr. VOLSTEAD. We have in our State a system of leasing school lands, or selling school lands, and reserving the right to the mineral under the surface. Now, when we sell we reserve not only the mineral, but also the right of way. Of course under those circumstances we have a legal right to enter upon those lands and mine them.

The CHAIRMAN. The bills I have introduced here provide that the surface shall be subject to the right of way for tramways, railways, and roads, and for throwing slack, emptying water, etc.

Mr. BURNETT. Even there I could see how great trouble would originate as to how much was necessary for all those things.

The CHAIRMAN. It always involves trouble. That is not an uncommon thing at all in my region. My district is a coal-mining district. Generally the coal and the surface are owned by the same party. Now and then, however, you will find 400 or 500 acres of land in which the coal rights have been reserved. The man has sold his farm, but reserved all the coal, with the right to mine the same; and they usually have a form as to egress and ingress, and waste water, air shafts, water shafts, tramways, and railways;

all those conditions are reserved. The theory, of course, on which this proposed legislation is to proceed is that these rights in the surface shall be reserved to the Government, with the power of leasing the coal underneath. What has been troubling me more than anything else is whether, if we reserve all that coal in the West, we will not paralyze that whole country.

Mr. BURNETT. There is the danger.

The CHAIRMAN. Now, if we reserve only half of it, there is still more than they can use and enough in reserve to prevent any combinations or monopolies in the coal.

Mr. MONDELL. But if in reserving that half we reserve just the coal that has transportation facilities, of course, it is equivalent to reserving it all.

The CHAIRMAN. This proposition was to reserve it in alternate townships. Sometimes you get the best and sometimes you get the worst.

Mr. GRONNA. I believe this committee is sitting for the purpose of determining whether it would be advisable to withdraw this coal land which is on the public domain. Now, can you tell us where the Government would be benefited—that is, the people—by reserving all these coal lands?

Mr. CAMPBELL. Well, although the areas of coal seem enormously large, and any computation of them seems utterly beyond comprehension, still if we take into account the rate of consumption it will be readily seen that we haven't got fuel enough to last an indefinite term of years.

Mr. MONDELL. Well, but do you propose by Government ownership to restrict the amount of coal that people shall use, and thereby extend the period over which it may last?

Mr. CAMPBELL. As I look at it, it may result in this condition: That the corporations—manufacturing, railroad, and others—are naturally getting hold of the best coal land they can find to serve their purposes. It seems possible that we may face the condition that the corporations will sooner or later own practically all the coal. It seems to me that the Congress of the United States should safeguard the interests of the people.

Mr. MONDELL. Private interests do own all the coal in two-thirds of the territory of the Union.

Mr. CAMPBELL. I know they do; and it gets rather serious, doesn't it, in a case such as the anthracite strike?

Mr. MONDELL. In what way is that affected by the fact that the ownership of the land was in private owners? If the Government had been leasing that coal, in what way could it have controlled that situation?

Mr. CAMPBELL. I am not personally familiar enough with that situation to say; but it seems to me they would have had more to say about it and had a right to interfere with that.

Mr. VOLSTEAD. There would be no money invested in the coal in the ground. The Government would own that. That could not be capitalized. Upon that you could not draw any interest, because that would be owned and held by the Government. For that reason, supposing these parties do get control of it, they can't raise the price of it. Even if they had a monopoly, the Government, retaining the ownership and excluding any capitalization of the coal bed

itself, can fix reasonably the price upon the output, or keep the price reasonably within the cost—

Mr. MONDELL. Of course that is a theory. Now, is it a fact that, outside of the anthracite coal fields of the United States, the price of coal at the mine anywhere in the United States has ever been exorbitant? That is an important fact. We ought to know.

Mr. GRONNA. Leaving out transportation?

Mr. VOLSTEAD. Take the case of lumber, for instance. In the last two years lumber in our section has doubled. This may not be applicable, perhaps, but still it illustrates the fact that if these parties get possession, and can hold it, they will insist on getting interest upon the investment that they have in the mines; that is, the coal that is in the ground, that they are not taking out at all. There will be interest paid upon the value of the coal bed as it lies there untouched; and of course they would simply draw a profit upon their operations.

The CHAIRMAN. They had that question up in the Indian Territory. There were leases there from thirteen to thirty-seven years still running. The Indian Committee proposed to have the land all sold, including the land leased. I objected to that, insisting that the leased land should be held for the Indians, because they were getting nearly \$300,000 a year out of those leases, and that ought not to be cut off from them. So we put the bill through the House, reserving those leases, and reserving all of the land until the leases should expire. It was proposed in the Senate to sell the land not leased immediately, without waiting for the leases to expire. The coal men came down here and immediately insisted that that would break them up; that they had agreed to pay a royalty amounting now to nearly \$300,000 a year to the Indians if the other land was sold, and the men that owned the land, and who would not have to pay a royalty, could undersell them all the time and drive them out of business.

Mr. SMITH. The interest on the investment would not equal the royalty.

The CHAIRMAN. It would not amount to anything. The coal land is only \$30 an acre anywhere. You can buy coal land in Missouri for \$30 an acre, and within my own district, within two or three years, 6,000 acres of coal land were sold for \$30 an acre.

Mr. SMITH. That would be \$15 an acre interest.

The CHAIRMAN. I mean the surface was reserved by the owners.

Mr. VOLSTEAD. What is the surface worth in that region?

The CHAIRMAN. At that time it was worth \$50 or \$60 an acre. They sold the coal for \$30. Now, the man who gets his coal for anywhere from \$20 to \$30 an acre, and has the title to it, would drive the man who is paying 6½ cents a ton out of business, because he is paying \$350 to \$450 an acre for his land. Of course he is paying it in installments as he is taking his coal out. But the man that owns this coal can always drive the lessee out of business.

Mr. GRONNA. Your theory, Mr. Campbell, is that the coal of this country is liable to be exhausted under the present system?

Mr. CAMPBELL. Under the present rate of consumption.

The CHAIRMAN. I have one other proposition I want to ask you about—whether coal would be more carefully mined by the owner than by the lessee? In other words, the lessee will gouge out what he

can as cheaply as possible and leave the pillars and anything that he can not take up easily?

Mr. CAMPBELL. There ought to be adequate supervision over that.

The CHAIRMAN. The only remedy would be supervision?

Mr. CAMPBELL. There ought to be adequate supervision.

Mr. MONDELL. You would have to have a Government inspector in every mine?

Mr. CAMPBELL. Yes.

Mr. MARTIN. Mr. Campbell, both you and the other witnesses have given us some estimates as to how long it would take, approximately, to consume our coal supply in this country. They have run, I think, all the way from a century up to five thousand years, according to what the probabilities might be. Now, is there any suggestion in the advancement of this class of data that we are now improvidently using our coal, or that under a new system we would change the rate of consumption and make it last longer?

Mr. CAMPBELL. In answer to that I would like to call your attention to a little chart here, which shows the production—which means, of course, consumption—since 1840, I believe, by decades. As stated before, you will find that the amount for a certain decade is practically the same as all that preceded it. Now, you can see [indicating on chart] what kind of a curve that is making. It is making a curve that is going out to infinity very rapidly. But is that rate going to continue? That is the question.

Mr. MARTIN. My question is whether any proposed legislation intends to stop this consumption of coal or make it go further.

Mr. CAMPBELL. In the first place, in answer to that, I should like to say that it seems to me that we should look ahead and try to conserve our coal.

Mr. MONDELL. The only way to do that is to raise the price. Is that what the Government would try to do?

Mr. CAMPBELL. No; it seems to me it ought to retain control of it.

Mr. SMITH. Does that chart indicate the amount of coal actually mined and consumed, or does it include the amount of coal that you say has passed by reason of waste as well as consumption?

Mr. CAMPBELL. It is the total.

Mr. PARKER. It is the commercial production.

Mr. SMITH. I don't see how we are going to legislate to limit the production of coal. There is no coal produced except what the world needs. It seems to me that one of the important questions in connection with a change in ownership would be the question of waste. It was suggested by some one in a former hearing that they would take out a few feet and let the rest cave in and go to waste.

Mr. CAMPBELL. Yes, sir.

Mr. PARKER. I am just beginning an investigation of that subject now—the amount of waste there is in the mining of coal, and the possibility of its prevention, and as to what the causes of waste are. I have had some replies already, one of them from the president of one of the large mining companies in Pennsylvania. He calls attention to the fact that one of the chief causes for the waste in the bituminous region is that operators do not at first leave in sufficient width of pillars to support the roof, and when they have mined out 40 feet in thickness, leaving only 20 feet of pillars, those pillars are not strong enough to support the roof, and they are broken.

Mr. SMITH. Now, this question we might investigate. I do not see that we can legislate to limit the consumption of coal any more than we can that of lumber.

Mr. CAMPBELL. No; but you can control the way in which it is mined. You can prevent those wastes.

Mr. SMITH. That question of waste, I think, is one that we should hear as much about as we can.

Mr. MARTIN. Is not this probably true, that the owner of a mine has it to his interest to have as little waste as any modern methods can bring about?

Mr. CAMPBELL. No; I do not believe that is generally true.

Mr. PARKER. Sometimes it is cheaper to leave a lot of stuff in there. They mine out wide rooms and get out the amount of coal originally and leave the rest in there.

Mr. MONDELL. On the other hand, the property costs the owner so much. He wants to get out of it all he can. He has a fixed cost in plant there, all the way from \$200,000 to \$500,000, that he can not move except at great loss. Now, is it not to his advantage to get every ton of coal out that he can?

Mr. PARKER. It would seem so.

Mr. CAMPBELL. I can give you an example that will answer that. That is true as to the Frick Coal and Coke Company.

Mr. BURNETT. No; if he is in debt, the proposition would be to get it out as quickly as possible.

Mr. CAMPBELL. The Frick company will not touch anything but what will make first-class coke. In the Pittsburg coal bed they will leave a bench 4 or 5 feet thick. They could market that as steam coal, but they won't handle it.

Mr. MONDELL. We can't remedy that.

Mr. CAMPBELL. No.

Mr. MARTIN. If the Government were leasing it, it could require that all coal should be mined and prevent that waste.

Mr. MONDELL. Would it not cost the consumer much more?

Mr. MARTIN. For the time being that is probably true, but it would prevent the arising of monopolistic conditions in the future.

Mr. GRONNA. Doesn't this condition exist where they are now paying royalty?

Mr. PARKER. When they attempt to rob out the pillars, it is a more expensive operation than simply the room mining. It costs a little bit more to rob the pillars, and it is more dangerous.

Mr. MCCARTHY. It seems to me the people have got to have all the coal they need, and that we are going to use just about so much anyway. No law ought to be passed restricting the people in the amount of coal that they are going to use, and the supply, we assume, will last a certain time anyhow. It strikes me that the object of this legislation should be to prevent that part of the public domain known to be underlaid with coal from passing into the hands of avaricious monopolies, who will in time, when they get it all under their control, raise the price of coal above that of silver per ounce—get just what they want for it.

There is a good deal of complaint that they are charging too much for it. Transportation companies are interested in the coal mines.

Mr. MONDELL. Is there general complaint in the country that the cost of coal at the mines is exorbitant?

Mr. McCARTHY. No; I have not heard of it.

Mr. GRONNA. Is it not the transportation that makes high prices?

Mr. McCARTHY. It is the transportation companies that are going to get the coal lands.

Mr. ROBINSON. It is a practical question to the consumer, because the consumer can not walk across the continent to get his coal.

The CHAIRMAN. Now, Mr. Campbell, we have interrupted you and asked you a good many questions. You were about to make a statement as to your plans.

Mr. CAMPBELL. In answer to that question as to reserving half the coal fields, it seemed to me it would be very difficult to specify which half, and especially so where the coal dips rather steeply; it would be very difficult to locate townships which would control half of it. Not only that, but it would limit the operations on the other lands to rather small areas. Six hundred and forty acres is rather small for large operations.

Mr. MONDELL. This refers to townships.

Mr. CAMPBELL. I beg your pardon; I was thinking of sections. Sections I do not think would be practicable, at all. Townships would be less objectionable; but it seems to me they would be difficult to arrange that way, to control the situation.

The CHAIRMAN. For instance, here is a township that is withdrawn. The township adjoining it has been gradually acquired under coal-land laws, until it is all owned by private individuals. Now, they commence operating on that township. If that is not enough, they can lease the adjoining township. You see this is not a proposition to take the coal away. The coal will still be there. It is to reserve half of it, so as to prevent monopoly.

Mr. CAMPBELL. I think, Mr. Chairman, that the reservation of half the field is very much better than no reservation at all; but I do not see the difficulty in the way of reserving the whole of it. It seems to me the royalty might be placed low enough. This royalty can not be a fixed sum, because the conditions are so different and the coals are so different. It must be a variable amount, adjusted according to conditions. It seems to me that the royalty should be placed low enough so that these companies could work, but simply have the control in the hands of the Government, and the Government, by retaining control, can prevent waste and see that the coal is reserved for the people rather than for the grasping corporations.

Mr. GAINES. Can you give us briefly your plan to cure the trouble we have before us?

Mr. CAMPBELL. I am not sure that it would cure the trouble; but it seems to me that our coal lands are not inexhaustible. I think this Congress should look forward to the time when our coals will be scarce.

Mr. SMITH. You don't expect to limit consumption?

Mr. CAMPBELL. No.

Mr. SMITH. And there is no more coal being produced than is being consumed?

Mr. CAMPBELL. But it seems to me that the way in which it is used might be controlled.

Mr. SMITH. And the consumption after it is mined?

Mr. CAMPBELL. Yes.

Mr. SMITH. No; you would not want to go so far as to tell a man

what he shall do with his coal after he gets it out of the ground. I think the only question that can affect this matter is that question of waste—the manner in which it is taken out of the ground. You can not limit the world's demand for coal, and we do not want to.

Mr. GAINES. I would like to ask the witness again to give us a plan to cure the evil that we are complaining about—this question of the high price of coal.

Mr. SMITH. It is admitted on all hands that coal is not high at the mines.

Mr. MONDELL. What is making coal scarce in some parts of the West to-day is the fact that those coal lands are withdrawn. There are two or three places in my State to-day where coal would be mined and on the market now if it were not for the fact that a man can not make an entry there.

Mr. GAINES. Mr. Clark stated the other day that there had been a famine in coal several times out West; when they have burned corn out in Kansas because they could not get coal.

Mr. GRONNA. It was the fault of the railroads.

Mr. SMITH. I have sat by a corn fire many a time myself.

Mr. CAMPBELL. It seems to me that if we are ever going to control the situation in that State we don't want to wait until coal is dear, because at that time all the coal land will probably have passed into private ownership. The time to regulate that is now.

Mr. GAINES. How do you propose to regulate it?

Mr. CAMPBELL. It seems to me that the plan that would not injuriously affect anybody would be to provide for a system of leasing; the Government to reserve all coal—not the surface, but the coal rights—dispose of the surface rights under the existing laws to homesteaders or whoever they may be, but reserve in every case the coal rights; then lease those on an equitable basis to companies that wish them, using proper restrictions and having adequate inspection, so as to keep control of the situation.

Mr. SMITH. Have any of you gentlemen any information on a point that was mentioned some days ago to the effect that certain large concerns are buying up large areas of coal land and holding it, with no intention of working it in the immediate future?

Mr. CAMPBELL. I can't say that I have positive knowledge, although it was currently reported that the United States Steel Corporation was doing that soon after it was formed.

Mr. MONDELL. Where was that?

Mr. CAMPBELL. I think that since then they have largely controlled the Pocahontas field and adjacent territory.

Mr. MONDELL. You are speaking now of lands not public lands?

Mr. CAMPBELL. Yes; those are not public lands.

Mr. MONDELL. Mr. Smith, I think, had reference to public lands.

Mr. SMITH. It seemed quite important to me that in Colorado, for instance, the United States Steel Corporation was acquiring all the coal land it could to prevent the manufacture of steel out there.

Mr. MONDELL. Who made that suggestion?

Mr. SMITH. I don't know whether it was Mr. Clark or who it was.

Mr. MONDELL. I had not heard of it.

Mr. SMITH. It came to my mind through what I had heard here.

The CHAIRMAN. Mr. Campbell, is there anything further you wish to state? Have you substantially covered the ground?

Mr. CAMPBELL. I believe I have; yes, sir.

Mr. GRONNA. You said the idea would be to lease these coal mines, we will say, on public land that is fit for agricultural purposes, and you would be in favor of letting the public go on there as homesteaders?

Mr. CAMPBELL. Certainly.

Mr. GRONNA. The surface would belong, of course, to the homesteader, but the Government would retain the coal?

Mr. CAMPBELL. Yes, sir.

Mr. GRONNA. Now, in case the Government should lease mines on this land that is taken by the settlers, how would you suggest that they should be paid for the damage that might be done on this land?

Mr. CAMPBELL. I don't know that that is a detail that I have gone into. It does not seem to me that it would be a very difficult thing to adjust.

Mr. GAINES. In case your suggestion of leasing should be adopted, could we not in that way provide against waste and also provide that the coal mines should be worked, and in that way prevent a famine in coal?

Mr. CAMPBELL. It seems to me it would operate that way.

Whereupon (at 1.20 p. m.) the committee adjourned until Friday morning at 10.30 a. m.

[H. R. 23552, Fifty-ninth Congress, second session.]

A BILL to authorize the withdrawal from entry of all gas, oil, lignite, and coal upon the public lands and providing for the leasing of the same.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is hereby authorized and empowered to withdraw from entry under the placer mining laws and under the coal land laws of all the gas, oil, lignite, and coal remaining upon any of the public lands of the United States. Such withdrawal shall not impair any rights acquired in good faith prior to the passage of this act under existing laws.

SEC. 2. That the Secretary of the Interior is hereby authorized to lease the gas, oil, lignite, and coal upon the public domain for the purpose of exploring and mining the same. Such leases shall be under such conditions, terms, and regulations and upon such royalties as the Secretary of the Interior may prescribe, and shall be terminable at any time by the Secretary of the Interior for the violation of the terms of the same, and shall be thus terminated in case the lessees should, by a combination with others, or by assignment, or by any other means, enter into combinations to create, or to attempt to create, a monopoly in the products of oil, gas, lignite, or coal, or to advance or control the prices of the same.

SEC. 3. That the lands upon which such gas, oil, lignite, and coal shall be withdrawn shall be subject to entry under the homestead and other land laws of the United States, excepting the coal land laws and the timber and stone act, which shall not be applicable to the lands upon which said oil, gas, lignite, and coal have been so withdrawn.

SEC. 4. That in the exercise of the authority of the President under this act he shall designate the lands to be affected by said order of withdrawal, and due notice of such withdrawal shall be given by proclamation to that effect.

[H. R. 23553, Fifty-ninth Congress, second session.]

A BILL To authorize the withdrawal from entry of one-half of the remaining coal, gas, lignite, and oil in the public lands, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and empowered to make withdrawals of oil, gas, lignite, and coal in the public lands of the United States. Such withdrawals shall be limited so as to provide for the selection of substantially alternate townships, or the public land undisposed of in such alternate townships in the public-land States and Territories, including Alaska. Proclamation of such withdrawal shall be made by the President. The purpose of such withdrawal shall be to enable the United States to hold in its own right substantially one-half of the remaining oil, gas, lignite, and coal deposits in the public domain to prevent private monopoly therein. As to the remainder of such lands containing oil, gas, lignite, and coal the same shall be subject to disposition under existing laws. Such withdrawal shall not impair any rights acquired in good faith prior to said withdrawal.

SEC. 2. That the land in which oil, gas, lignite, and coal shall have been withdrawn from entry and sale under this act shall be subject to lease under such rules and regulations as the Department of the Interior may prescribe, such leases to be for terms of years at royalties to be prescribed by said Department, with the reserved power to terminate such lease or leases if at any time the lessees or their assigns shall enter into or attempt to enter by any means whatever into combinations in restraint of production or to advance or control the prices of the products of such leases. The said leases shall also be subject to cancellation for breach of any of the terms thereof or for failure to pay the royalty as specified therein at the time and place when the same shall become due.

SEC. 3. That the lands upon which the gas, oil, lignite, and coal are reserved under this act shall be disposed of under the town-site and homestead laws of the United States; but the settlers under such town-site and homestead laws shall acquire no title to the said oil, gas, lignite, and coal under the surface of their said lands, and an express reservation to that effect shall be inserted in the patents issued thereafter for such lands. Such reservation shall also include the right to mine upon said land, not covered by buildings, and to make the necessary excavations and mining improvements, the deposit of waste earth and rubbish, and of water, the necessary air shafts, water shafts, dumps, railways, tramways, roads, and other appliances which may be necessary to mine the same; and the settlers in acquiring title under the town-site and homestead laws shall hold such lands subject to all said reservations and reserved rights, which reservations and reserved rights may be exercised by the lessees holding leases from the United States under and within the powers granted in such leases.

SEC. 4. That unsurveyed lands may be reserved under this act by such designations and boundaries as will substantially carry out the purposes of this act. And in making withdrawals of unsurveyed lands the order of withdrawal shall describe the lands in such manner with reference to natural monuments as may identify the same, making the withdrawal as near as may be in area as provided in this act.

[H. R. 23554, Fifty-ninth Congress, second session.]

A BILL To authorize the creation of coal, gas, and oil reserves, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is hereby authorized to create national coal, gas, and oil reserves upon the public domain of the public land in the States and Territories, including Alaska. That in creating such reserves the boundaries of the same shall be substantially set forth in the order creating the same. That in selecting such reserves the lands designated shall be such as may be classified as oil, gas, or coal lands, and shall be thus set apart for the purpose of reserving the oil, gas, and coal therein. The lands thus designated as coal, oil, and gas reserves shall not be subject to entry under the coal-land laws of the United States, nor under the placer-mining laws of the United States so far as the same are applicable to

the exploration or mining for oil and gas. That the land embraced in such reserves shall be subject to homestead and other entries under the other general land laws, with the exception of the timber and stone act, which shall not thereafter be applicable to such reserves. Such withdrawal shall not impair any rights acquired in good faith prior to the creation of such reserve or reserves. The President shall issue proclamation giving notice of the creation of such reserves.

SEC. 2. That the Secretary of the Interior is hereby authorized and empowered to lease for a term or terms of years, with power and authority to renew the same, the right to explore and take from such lands the gas, oil, and coal therein upon the payment by the lessee or lessees of such royalties, and upon such conditions as the Secretary of the Interior may prescribe and under regulations to be made by him. Such leases shall be revocable by the Secretary of the Interior at any time upon the nonpayment of the royalties or upon the breach of the terms and conditions of the lease, or should such lessees or their assigns, enter, or attempt to enter, by any means whatever, into combinations in restraint of production or to advance or control the prices of the products of such leases.

Mr. Volstead calls attention to his bill, hereto attached, and made part of the hearings.

[H. R. 23207, Fifty-ninth Congress, second session.]

A BILL Reserving coal, lignite, petroleum, and natural-gas deposits from disposal under existing land laws, and providing that such deposits may be mined under mining leases.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in disposing of any land now owned or hereafter acquired by the United States the coal, lignite, petroleum, and natural gas therein contained shall be, and are hereby, excepted therefrom, reserved to, and retained by the United States, and right is reserved to enter upon any land hereafter disposed of to prospect for, mine, and remove all such coal, lignite, petroleum, and natural gas; and all grants, patents, and other instruments conveying or transferring any right to title or interest in any land of the United States shall contain a provision that all coal, lignite, petroleum, and natural gas are excepted from such conveyance or transfer and reserved to and retained by the United States, and no grant, patent, or other instrument conveying or transferring any right to title or interest in such land shall be held or construed to convey or transfer any coal, lignite, petroleum, or natural gas therein unless the grant or instrument conveying or transferring the land shall specifically mention such mineral as conveyed or disposed of.

SEC. 2. That the Secretary of the Interior may make leases granting the right to prospect for, mine, and remove any coal, lignite, petroleum, or natural gas belonging to the United States. Such lease shall specify the time within and the tract upon which prospecting or mining may be done; the extent to which the surface of the land and the timber thereon, if any, may be used; the minimum of expenditures to be made by the lessee for prospecting or mining operations upon the land each year until there is a mineral output; the minimum annual mineral output thereafter; the royalty to be paid by the lessee to the United States on such output; that the mining operations shall be conducted with reasonable regard to the economic use of the deposit mined, and that all coal, lignite, petroleum, or natural gas taken from the land, except such thereof as may be used by the lessee, shall be sold without discriminating against or favoring any purchaser or purchasers and at a price that will yield only reasonable returns upon the mining operation. Such lease shall further provide that books of account, open at all reasonable times to the inspection of the Department of the Interior, shall be kept of all mining operations and of all receipts and expenditures in connection therewith; that right of way, either for private or public use, is reserved over the tract leased, and that such lease may be canceled and terminated by the Secretary of the Interior for any violation of the law under which the lease is issued or any failure to comply with the provisions of the lease.

SEC. 3. That any mining lease may grant a definitely located right of way over lands not leased but necessary for the purpose of carrying on mining operations under the lease. No greater amount of land shall be leased to any one person, company, or corporation than is deemed essential to profitable and economic mining, and this act shall be held to authorize only one entry by the same person, company, or corporation, except to enlarge or continue mining

operations in progress. And unless authorized thereto in writing by the Secretary of the Interior, after such notice and hearing as he may prescribe, no lease shall be assigned or any of the rights acquired thereunder transferred, nor shall the holding under any lease be combined in operation, without such consent, with the holding under any other lease. No lease shall be issued to continue in force for more than fifty years from its date, and not more than — acres shall be leased to or held by any person, company, or corporation.

SEC. 4. That the Secretary of the Interior may classify lands known to contain any valuable deposits of coal, lignite, petroleum, or natural gas, and shall fix by general rule the royalty to be paid for mining. Such royalty may be determined upon with reference to the quality of the deposit, the circumstances of each locality, and progress in and facility for mining and disposing of the product, and the terms and conditions upon which leases may be obtained shall be prescribed by the Secretary of the Interior and by him made public. That a lease to mine or permit to prospect for such mineral may be issued only to persons, companies, or corporations that are residents of the United States, upon written application filed with the land office in the district where the land lies, after such notice and hearing as may be prescribed by the Secretary of the Interior. All applications for such leases and permits shall be considered in the order in which they are filed, except that any person, company, or corporation that shall have secured a permit for prospecting shall, upon application within the time limit of the permit, have a preference right to secure a lease of the land covered by the permit. Where two or more applications are made at the same time the preference may be decided by lot. As a guaranty of good faith every applicant for a lease under this act shall pay to the receiver of the land office in the district where the land lies one dollar and twenty-five cents per acre for the land leased. This sum shall be credited upon any royalty may become due thereafter under the lease, or shall be returned to the applicant upon proof that diligent and reasonable effort to find a valuable mineral deposit has failed; otherwise the sum shall be forfeited to the United States. An affidavit sworn to by the person, a member of the association, or officer of the corporation applying for a permit or lease, shall also be filed with the register of said land office, setting forth that the application is made in good faith; that he believes that the land applied for contains a valuable deposit of coal (lignite, petroleum, or natural gas, as the case may be), and that applicant intends to prospect (or mine) for such deposit, and comply in good faith with the provisions of the permit (or lease); that applicant does not intend to hold or dispose of such permit (or lease) at the request of or for the benefit of any other person, company, or corporation.

SEC. 5. That after hearing on written application to the land office in the district where the land lies for leave to prospect for coal, lignite, petroleum, or natural gas upon any land disposed of by the United States, but in which it has reserved to itself such mineral, and upon such notice to the owner and person in possession of the land, if any, as the Secretary of the Interior may direct, the Secretary may, if it shall appear on such hearing that there is reasonable ground to believe that a valuable deposit of any such mineral may be found, issue a permit to the applicant to prospect for such mineral. Such permit shall set forth that the prospecting thereunder must commence within three months; that it must thereafter be prosecuted continuously and diligently to completion; that any unnecessary abandonment of the work shall forfeit the permit, and that no unnecessary occupation shall be had of the land or damage done thereto or anything thereon. The permit shall not authorize prospecting for more than one year; it shall fix the locations upon the land where any digging, boring, drilling, or any other subsurface prospecting may be done, and what part and to what extent the land may be entered upon and used for such prospecting. If it is found by such prospecting, or otherwise made to appear, that land disposed of subject to such mineral reservation contains any valuable coal, lignite, petroleum, or natural gas deposit or deposits the Secretary of the Interior may upon like application, notice, and hearing as prescribed for securing such permit issue a lease such as is provided for in section two of this act: *Provided, however,* That before possession is taken under such permit or lease the damage that will result to the surface of such land from such prospecting or mining shall be secured or paid to the owner of the land by the party holding such permit or lease, unless the owner is willing to accept in lieu of the damage such royalty upon the mineral output as may be fixed by the Secretary of the Interior. To obtain such possession the permit or lease holder may, in an action in the circuit court in the district in which the land is located or in some other

competent court, secure to the owner the payment of such damages by giving such bond as the court may approve and thereafter have the amount of the damage determined by said court in the action. Jurisdiction for that purpose is hereby conferred. The owner of any land disposed of by the United States subject to the mineral reservation herein provided for shall, if otherwise qualified, have a preference right to obtain such lease and may resist the granting of any permit or lease to anyone else upon the ground of such preference right: *Provided*, That such owner is then willing to accept a lease and the party resisting is not claiming a lease as the holder of a permit.

SEC. 6. That any person may contest any leases or permits for any cause affecting the legality or validity of the same and for any willful or negligent failure to comply with the requirements thereof. Application to contest must be filed with the register of the land office in the land district where the land lies, together with an affidavit setting forth the ground of contest. This affidavit must be corroborated by the affidavit of one or more witnesses. A person who contests and secures the cancellation of any lease or permit shall have a preference right for thirty days from receipt of notice of cancellation in which to apply for and secure a lease or permit of the land covered by the leases or permits contested, and during such period of thirty days the land shall be reserved from entry by any other person, and other applications for permits or leases prior to the expiration of that time shall not be considered. In case of contest the testimony and proof may be taken on personal notice of at least fifteen days to the opposing party or person in possession of the land, if any, or if such party or parties can not be found, then by publication of at least once a week for thirty days in a newspaper to be designated by the register of the land office as published nearest to the land, and proof that such notice has been given shall be filed with said register. The Secretary of the Interior may, upon such terms as he may deem just, waive strict compliance with the requirements of the lease when it is made to appear that the lessee has in good faith attempted to carry out such requirements, and shall do so when in his judgment public interest will not suffer thereby. After mining operations have been carried on in good faith for two years and valuable improvements of a permanent character have been placed upon the land by the lessee at an expenditure aggregating not less than a sum equal to ten dollars per acre for the land leased, the lease under which such mining and improvements have been made shall not be canceled except for conduct that shows an intention to abandon the mining operations required or a refusal to pay royalty, but the requirements of the lease and the law under which the lease is issued may thereafter be enforced by appropriate action for damages for equitable relief. Liens may be created and foreclosed upon improvements of a permanent character made under any lease, and the purchaser at the foreclosure sale shall be subrogated to the rights of the lessee if qualified to take and hold as such lessee. A party who has in good faith obtained such a lien may, for not to exceed two years, under such rules as the Secretary of the Interior may prescribe, perform the conditions of the lease, if necessary to protect his lien. An affidavit showing compliance with the requirements of the lease shall be filed in said land office by the lessee within thirty days after the end of each year for the first two years and annually thereafter until an amount shall have been expended in permanent improvements for the object of the lease aggregating not less than a sum equal to ten dollars per acre for the land leased. If such affidavit is not filed within the time required, notice shall be sent the lessee by mail that unless such affidavit is filed within sixty days from the date of the notice the lease will be canceled and the deposit made to show good faith forfeited. Unless within the time limited in the notice, or such further time as may be allowed for that purpose, satisfactory proof or excuse is furnished, the lease shall be considered and treated as canceled and the deposit forfeited.

SEC. 7. That until a lease has been issued as herein provided, the owner of any land held subject to the reservation provided for in section one of this act shall have a right to take and use so much coal, lignite, petroleum, or natural gas as he may need for his own domestic use.

SEC. 8. That the Secretary of the Interior shall make rules and regulations to carry this act into effect.

SEC. 9. That this act shall not prevent entries heretofore made, or rights that may have been acquired to such mineral deposits, from being perfected under the law as it existed when the entry or right was secured, but shall apply to all subsequent entries, including entries under script, land warrants, and lien-land selections, and as to such subsequent entries all provisions of law so far as they are inconsistent herewith are repealed.

FURNISHED BY MR. PARKER.

Area of the coal fields in the different States.

	Square miles.	Acres.
Anthracite:		
Pennsylvania.....	484	309,760
Colorado and New Mexico.....	16	10,240
	500	320,000
Bituminous and Lignite Triassic:		
Virginia.....	270	172,800
North Carolina.....	800	512,000
	1,070	684,800
Appalachian:		
Pennsylvania.....	14,200	9,088,000
Ohio.....	12,660	8,102,400
Maryland.....	510	326,400
Virginia.....	1,850	1,184,000
West Virginia.....	17,000	10,880,000
Eastern Kentucky.....	10,270	6,572,800
Tennessee.....	4,400	2,816,000
Georgia.....	167	106,880
Alabama.....	8,430	5,395,200
	69,487	44,471,680
Northern: Michigan.....	11,800	7,232,000
Eastern Central:		
Indiana.....	7,290	4,665,600
Western Kentucky.....	6,400	4,096,000
Illinois.....	35,600	22,784,000
	49,290	31,545,600
Western Central:		
Iowa.....	20,000	12,800,000
Missouri.....	23,000	14,720,000
Nebraska.....	3,200	2,048,000
Kansas.....	20,000	12,800,000
	66,200	42,368,000
Southwestern:		
Arkansas.....	1,728	1,105,920
Indian Territory.....	14,848	9,502,720
Texas bituminous.....	11,300	7,232,000
Texas lignite.....	30,000	19,200,000
	57,876	37,040,640
Rocky Mountain:		
North Dakota lignite.....	35,500	22,720,000
Montana.....	47,200	30,208,000
Wyoming.....	19,900	12,736,000
Utah.....	4,580	2,981,200
Colorado.....	11,600	7,424,000
South Dakota.....	2,400	1,536,000
New Mexico.....	13,500	8,640,000
Idaho.....	140	89,600
	134,820	86,284,800
Pacific coast:		
Washington.....	1,100	704,000
Oregon.....	230	147,200
California.....	280	179,200
Alaska anthracite and bituminous.....	505	323,200
Alaska lignite.....	7,800	4,992,000
	9,915	6,345,600
Grand total.....	400,458	256,293,120

Production of coal in the United States by decades since 1846.

(By Edward W. Parker.)

	Short tons.
Total production from 1814 to 1845	27,577,204
Production from 1846 to 1855	83,417,827
Production from 1856 to 1865	173,795,014
Production from 1866 to 1875	419,425,104
Production from 1876 to 1885	847,760,319
Production from 1886 to 1895	1,586,098,641
Production from 1896 to 1905	2,832,599,452

Table showing the relative efficiency of coals used under the steam boiler and in the producer-gas plant at the U. S. Geological Survey fuel-testing plant, St. Louis, Mo., in 1904 and 1905.

(By Marius R. Campbell.)

No.	Name of coal tested.	Steam.	Ratio.	Producer gas (one electrical horsepower per hour equals 1,000).
1	West Virginia (13)	0.287	3.34	0.961
2	West Virginia (14) .....	.276	3.29	.909
3	West Virginia (18) .....	.275	3.08	.883
4	Virginia (3) .....	.279	2.60	.826
5	Ohio (5) .....	.246	3.23	.794
6	Pennsylvania (5) .....	.273	2.86	.781
7	Pennsylvania (8) .....	.286	2.74	.781
8	Ohio (6) .....	.249	3.10	.770
9	Virginia (4) .....	.265	2.88	.763
10	West Virginia (20) .....	.281	2.71	.763
11	Pennsylvania (10) .....	.278	2.72	.758
12	West Virginia (4) .....	.269	2.82	.758
13	Kentucky (6) .....	.270	2.79	.752
14	Ohio (4) .....	.246	3.04	.746
15	Pennsylvania (6) .....	.256	2.85	.730
16	Virginia (2) .....	.262	2.77	.725
17	Illinois (19) .....	.223	3.22	.719
18	Kentucky (5) .....	.279	2.59	.719
19	West Virginia (16) .....			.714
20	Kentucky (1) .....	.262	2.71	.709
21	Pennsylvania (4) .....	.272	2.59	.704
22	West Virginia (9) .....	.279	2.51	.701
23	Ohio (9) .....	.242	2.89	.700
24	West Virginia (7) .....	.274	2.43	.667
25	Ohio (3) .....	.234	2.83	.662
26	West Virginia (12) .....	.278	2.35	.654
27	Virginia (1) .....	.271	2.41	.653
28	Ohio (8) .....	.236	2.69	.641
29	Indian Territory (4) .....	.202	3.15	.637
30	Illinois (10) .....	.190	3.31	.629
31	West Virginia (1) .....	.251	2.42	.625
32	Indiana (8) .....	.214	2.90	.621
33	Indiana (7) .....	.212	2.86	.606
34	Kentucky (7) .....	.224	2.71	.606
35	Ohio (7) .....	.238	2.51	.599
36	Pennsylvania (7) .....	.256	2.32	.599
37	Kansas (5) .....	.243	2.44	.592
38	Alabama (2) .....	.233	2.51	.586
39	Indiana (11) .....	.227	2.55	.578
40	Illinois (13) .....	.227	2.53	.575
41	Illinois (18) .....	.212	2.71	.575
42	Illinois (14) .....	.187	2.99	.559
43	Illinois (15) .....	.206	2.70	.556
44	Illinois (16) .....	.236	2.34	.553
45	West Virginia (8) .....	.261	2.10	.549
46	Indiana (5) .....	.209	2.61	.546
47	Indiana (9) .....	.212	2.56	.543
48	Illinois (11) .....	.196	2.67	.523
49	Indian Territory (1) .....	.229	2.28	.521
50	Illinois (3) .....	.211	2.45	.518
51	Indiana (6) .....	.207	2.49	.515
52	Indiana (3) .....	.203	2.50	.508
53	Illinois (8) .....	.157	3.22	.506
54	Illinois (9) .....	.171	2.91	.498
55	Illinois (6) .....	.159	3.11	.496
56	Illinois (4) .....	.181	2.71	.491
57	Wyoming (3) .....	.174	2.82	.490
58	Kentucky (3) .....	.218	2.24	.488

Table showing the relative efficiency of coals used under the steam-boiler and in the producer-gas plant at the U. S. Geological Survey fuel-testing plant, St. Louis, Mo., in 1904 and 1905—Continued.

No.	Name of coal tested.	Steam.	Ratio.	Producer gas (one electrical horsepower per hour equals 1.000).
59	Iowa (2)	0.172	2.81	0.483
60	Colorado (1) .....	.165	2.83	.467
61	Indiana (1) .....	.221	2.09	.461
62	Indiana (2) .....	.209	2.15	.450
63	Wyoming (2) .....	.159	2.76	.439
64	Montana (1) .....			.394
65	Texas (2) .....			.388
66	Brazil (1) .....	.151	2.55	.385
67	Illinois (7) .....	.182	2.07	.376
68	North Dakota (1) .....	.099	3.55	.355
69	Missouri (2) .....	.176	1.96	.344
70	Florida peat .....	.143	2.31	.330
71	North Dakota (3) .....	.118	2.62	.309
72	North Dakota (2) .....			.308
73	Texas (1) .....			.299

Names and numbers are the same as those used in Bulletins 261 and 290, U. S. Geological Survey.

Mr. Lacey presents the following from the General Land Office:

DEPARTMENT OF THE INTERIOR,
GENERAL LAND OFFICE,
Washington, D. C., December 6, 1906.

Hon. J. F. LACEY,
House of Representatives.

MY DEAR SIR: In compliance with your verbal request of yesterday, I send you herewith statements showing by States and Territories the number of coal declaratory statements filed during the last four fiscal years, and the first quarter of this fiscal year, with fees received therefrom, together with the number of coal entries made for the same periods, the area embraced therein, and receipts to the Government therefor.

A recapitulation embracing the foregoing statements is also transmitted.

Very respectfully,

W. A. RICHARDS, Commissioner.

Statement, by States and Territories, of the disposal of coal lands from July 1, 1902, to June 30, 1906, inclusive, and first quarter of 1907, showing the number of applications to purchase coal lands and the amount of fees thereon, the number of entries made and acres embraced thereby, and amount received therefor.

JULY 1, 1902, TO JUNE 30, 1903.

State or Territory.	Declaratory statements.		Entries.	Acres.	Amount of receipts.
	Number.	Fees.			
Arkansas	1	\$2. 00			
California	8	24. 00			
Colorado	1, 626	4, 878. 00	162	26, 098. 33	\$292, 666. 60
Idaho	40	120. 00			
Montana	122	366. 00	13	1, 756. 78	34, 735. 60
Nevada	8	24. 00	2	320. 00	3, 200. 00
New Mexico	200	600. 00	20	2, 986. 78	59, 743. 20
North Dakota	173	346. 00	7	387. 62	7, 352. 40
Oregon	206	618. 00	27	4, 070. 78	40, 707. 80
South Dakota	1	2. 00			
Utah	338	1, 014. 00	18	2, 407. 49	46, 549. 80
Washington	48	144. 00	10	1, 926. 14	21, 305. 20
Wyoming	519	1, 557. 00	23	2, 219. 80	42, 815. 20
Total	3, 290	9, 695. 00	282	42, 168. 72	549, 075. 80

40 COAL LANDS AND COAL-LAND LAWS OF UNITED STATES.

Statement, by States and Territories, of the disposal of coal lands from July 1, 1902, to June 30, 1906, inclusive, and first quarter of 1907, etc.—Continued.

JULY 1, 1903, TO JUNE 30, 1904.

State or Territory.	Declaratory statement.		Entries.	Acres.	Amount of receipts.
	Number.	Fees.			
Arkansas.....	3	\$6.00			
California.....	6	18.00			
Colorado.....	1,058	3,174.00	104	18,695.13	\$201,761.30
Idaho.....	14	42.00			
Montana.....	129	387.00	12	1,040.21	18,404.20
Nevada.....	2	6.00			
New Mexico.....	193	579.00	7	560.00	8,800.00
North Dakota.....	186	372.00	12	463.80	9,276.00
Oregon.....	56	168.00	1	160.00	1,600.00
South Dakota.....	2	4.00			
Utah.....	192	576.00	6	720.00	14,400.00
Washington.....	44	132.00	1	160.00	1,600.00
Wyoming.....	1,100	3,300.00	54	7,308.28	144,578.40
Total.....	2,985	8,764.00	197	29,107.42	400,409.90

JULY 1, 1904, TO JUNE 30, 1905.

Alaska.....	81	\$243.00			
Colorado.....	873	2,619.00	90	11,412.85	\$130,925.40
Idaho.....	10	30.00			
Montana.....	115	345.00	2	119.60	1,992.00
Nevada.....	25	75.00			
New Mexico.....	166	498.00	17	2,275.46	28,754.60
North Dakota.....	117	234.00	11	577.88	11,157.60
Oregon.....	17	51.00	1	160.00	1,600.00
South Dakota.....			1	160.00	1,600.00
Utah.....	76	228.00	19	2,685.04	36,862.40
Washington.....	94	102.00	4	600.00	12,000.00
Wyoming.....	918	2,754.00	26	3,345.52	64,910.40
Total.....	2,432	7,179.00	171	21,336.35	289,802.40

JULY 1, 1905, TO JUNE 30, 1906.

Alaska.....	285	\$855.00			
California.....	2	6.00			
Colorado.....	801	2,403.00	130	20,991.33	\$270,343.30
Idaho.....	8	24.00			
Montana.....	179	537.00	8	1,307.22	26,144.40
Nevada.....	11	33.00	1	160.00	3,200.00
New Mexico.....	108	324.00	8	1,004.86	13,697.20
North Dakota.....	81	162.00	14	952.33	13,846.60
Oregon.....	12	36.00			
South Dakota.....	46	92.00			
Utah.....	137	411.00	37	5,520.63	69,606.30
Washington.....	39	117.00	2	698.13	13,962.60
Wyoming.....	631	1,898.00	61	13,630.25	155,102.50
Total.....	2,340	6,893.00	261	44,264.75	565,902.90

FIRST QUARTER OF 1907, ENDING SEPTEMBER 30, 1906.

Alaska.....	43	\$129.00			
Arizona.....			5	800.00	\$16,000.00
Colorado.....	259	777.00	3	360.00	4,400.00
Idaho.....	1	3.00			
Montana.....	38	114.00	5	529.12	10,582.40
Nevada.....	2	6.00			
New Mexico.....	58	174.00	2	120.00	2,400.00
North Dakota.....	24	48.00	4	240.00	2,800.00
South Dakota.....	23	46.00			
Utah.....	4	12.00	1	120.00	2,400.00
Washington.....	5	15.00			
Wyoming.....	256	768.00	11	1,620.52	26,197.60
Total.....	713	2,092.00	31	3,789.64	64,780.00

Statement, by States and Territories, of the disposal of coal lands from July 1, 1902, to June 30, 1906, inclusive, and first quarter of 1907, etc.—Continued.

RECAPITULATION.

Fiscal year—	Coal declaratory statements.		Entries.	Acres.	Amount of receipts.
	Number.	Fees.			
1903.....	3,290	\$9,695	282	42,168.72	\$549,075.80
1904.....	2,985	8,764	197	29,107.42	400,409.90
1905.....	2,432	7,179	171	21,336.35	289,802.40
1906.....	2,340	6,893	261	44,264.75	565,802.90
First quarter, 1907 (Sept. 30, 1906).....	713	2,092	81	3,789.64	64,780.00
Total	11,760	34,623	942	140,666.88	1,869,971.00

DEPARTMENT OF THE INTERIOR,
GENERAL LAND OFFICE,
Washington, D. C., December 29, 1906.

HON. J. F. LACEY,
House of Representatives.

MY DEAR SIR: In compliance with your verbal request, I transmit herewith statements showing the number of entries of coal lands, the area thereof, and receipts therefrom from July 1, 1873, to September 30, 1906, inclusive, under the act of March 3, 1873 (17 Stat. L., 607).

These statements show the disposals of coal lands in each State and Territory during each fiscal year for the period above stated, the total disposal in each year in all States and Territories, and disposals by fiscal years, with the aggregate thereof.

Very respectfully,

G. F. POLLOCK, *Acting Commissioner.*

Statement of coal lands disposed of in the different States and Territories, with recapitulation, from July 1, 1873, to September 30, 1906, inclusive, under act of March 3, 1873 (17 Stat. L., 607.)

ALABAMA.

Fiscal year—	Entries.	Acres.	Receipts.
1883.....	3	239.40	\$2,394.00

ARIZONA.

July 1 to Sept. 30, 1906.....	5	800.00	\$16,000.00
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CALIFORNIA.

1875.....	1	160.00	\$1,600.00
1876.....	6	840.00	9,600.00
1882.....	2	320.00	3,200.00
1883.....	3	480.00	5,200.00
1884.....	1	80.00	800.00
1886.....	2	400.00	8,000.00
1887.....	1	80.00	1,600.00
1888.....	2	240.00	3,200.00
1889.....	4	640.00	11,200.00
1891.....	2	200.00	2,000.00
1895.....	1	40.00	800.00
1900.....	2	289.89	2,898.90
1902.....	1	40.00	400.00
Total	28	3,809.89	50,098.90

42 COAL LANDS AND COAL-LAND LAWS OF UNITED STATES.

Statement of coal lands disposed of in the different States and Territories, with recapitulation, from July 1, 1873, to September, 30, 1906, inclusive, under act of March 3, 1873 (17 Stat. L., 607)—Continued.

COLORADO.

Fiscal year—	Entries.	Acres.	Receipts.
1877.....	1	80.00	\$1,600.00
1879.....	2	200.80	2,416.00
1880.....	5	680.56	7,205.60
1881.....	23	3,437.13	38,744.70
1882.....	12	1,511.57	19,515.10
1883.....	55	10,943.63	210,872.60
1884.....	29	3,609.49	59,389.80
1885.....	18	2,479.94	25,999.40
1886.....	22	2,845.94	56,118.60
1887.....	35	6,513.83	87,479.40
1888.....	106	16,708.30	284,563.70
1889.....	113	15,909.53	296,986.90
1890.....	81	10,608.25	138,238.10
1891.....	21	2,872.03	54,611.75
1892.....	11	1,210.67	24,213.40
1893.....	42	5,601.38	104,828.00
1894.....	2	104.37	2,087.40
1895.....	11	1,027.63	20,552.60
1896.....	8	951.09	15,821.80
1897.....	6	519.74	9,994.80
1898.....	11	840.56	16,411.20
1899.....	20	1,172.94	19,858.80
1900.....	32	2,589.88	50,597.60
1901.....	59	6,000.00	114,400.00
1902.....	97	14,715.47	172,068.00
1903.....	162	26,093.33	292,666.60
1904.....	104	18,695.13	201,751.30
1905.....	90	11,412.85	130,925.40
1906.....	130	20,991.33	270,343.30
July 1 to Sept. 30, 1906.....	3	360.00	4,400.00
Total.....	1,811	190,687.37	2,734,656.85

DAKOTA.

1883.....	5	481.13	\$4,311.30
1884.....	2	112.44	1,124.40
1888.....	1	40.00	400.00
Total.....	8	583.57	5,835.70

IDAHO.

1886.....	1	8.79	\$22.00
1891.....	1	80.00	800.00
1902.....	1	200.00	2,000.00
Total.....	3	288.79	2,822.00

MONTANA.

1881.....	1	40.00	\$400.00
1882.....	3	480.00	4,800.00
1883.....	8	851.19	15,423.80
1884.....	19	2,153.09	31,477.30
1885.....	4	280.00	5,600.00
1886.....	24	3,335.32	33,353.20
1887.....	5	520.00	5,600.00
1888.....	9	1,158.65	13,186.50
1889.....	18	4,638.56	91,185.60
1890.....	10	2,122.46	40,849.20
1891.....	5	797.46	14,374.60
1892.....	5	761.01	15,220.20
1893.....	6	1,748.09	25,638.10
1894.....	2	200.00	4,000.00
1895.....	10	1,800.00	34,400.00
1896.....	13	1,556.95	31,139.00
1897.....	6	440.00	8,000.00
1898.....	11	1,721.97	34,039.40
1899.....	15	1,711.18	31,823.60

Statement of coal lands disposed of in the different States and Territories, with recapitulation, from July 1, 1873, to September 30, 1906, inclusive, under act of March 3, 1873 (17 Stat. L., 607)—Continued.

MONTANA—Continued.

Fiscal year—	Entries.	Acres.	Receipts.
1900.....	13	2,761.68	\$55,233.60
1901.....	8	200.00	3,600.00
1902.....	8	860.00	7,200.00
1903.....	13	1,756.78	34,735.60
1904.....	12	1,040.21	18,404.20
1905.....	2	119.60	1,992.00
1906.....	8	1,307.22	26,144.40
July 1 to September 30, 1906.....	5	529.12	10,582.40
Total.....	233	34,390.54	598,402.70

NEVADA.

1900.....	1	160.00	\$1,600.00
1903.....	2	320.00	3,200.00
1906.....	1	160.00	3,200.00
Total.....	4	640.00	8,000.00

NEW MEXICO.

1880.....	5	721.35	\$7,220.10
1884.....	2	120.00	2,400.00
1886.....	10	1,349.96	13,499.60
1887.....	8	796.02	8,760.20
1888.....	4	230.57	2,805.70
1889.....	4	320.00	5,600.00
1890.....	2	80.00	1,600.00
1891.....	4	570.90	6,509.00
1892.....	1	80.00	1,600.00
1893.....	10	1,357.96	26,359.20
1894.....	1	316.51	3,165.10
1895.....	4	262.47	5,249.40
1896.....	4	218.80	4,376.00
1897.....	21	2,530.11	26,501.10
1898.....	6	840.00	12,000.00
1899.....	2	320.00	6,400.00
1900.....	8	680.00	12,400.00
1901.....	13	1,240.00	24,800.00
1902.....	6	674.52	12,690.40
1903.....	20	2,986.78	59,743.20
1904.....	7	560.00	8,800.00
1905.....	17	2,275.46	28,754.60
1906.....	8	1,004.86	13,697.20
July 1 to Sept. 30, 1906.....	2	120.00	2,400.00
Total.....	169	19,656.37	296,832.80

NORTH DAKOTA.

1893.....	1	80.00	\$1,600.00
1894.....	1	40.00	400.00
1896.....	1	40.00	400.00
1897.....	1	80.00	1,600.00
1899.....	1	134.51	2,690.20
1901.....	2	238.90	4,778.00
1902.....	8	686.80	12,136.00
1903.....	7	387.62	7,352.40
1904.....	12	463.80	9,276.00
1905.....	11	577.88	11,157.60
1906.....	14	952.33	13,846.60
July 1 to Sept. 30, 1906.....	4	240.00	2,800.00
Total.....	63	3,921.84	68,036.80

44 COAL LANDS AND COAL-LAND LAWS OF UNITED STATES.

Statement of coal lands disposed of in the different States and Territories, with recapitulation, from July 1, 1873, to September 30, 1906, inclusive, under act of March 3, 1873 (17 Stat. L., 607)—Continued.

OREGON.

Fiscal year—	Entries.	Acres.	Receipts.
1874.....	1	25.18	\$251.80
1883.....	1	157.06	1,570.60
1892.....	1	120.00	2,400.00
1893.....	1	40.00	400.00
1896.....	1	80.00	1,600.00
1899.....	1	160.00	5,200.00
1901.....	1	170.70	3,414.00
1903.....	27	4,070.78	40,707.80
1904.....	1	160.00	1,600.00
1905.....	1	160.00	1,600.00
Total.....	36	5,143.72	56,744.20

SOUTH DAKOTA.

1905.....	1	160.00	\$1,600.00
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UTAH.

1874.....	4	576.76	\$7,535.20
1876.....	1	122.40	1,224.00
1877.....	4	480.00	4,800.00
1878.....	1	160.00	3,200.00
1880.....	4	792.07	7,919.90
1881.....	18	1,176.52	12,021.20
1882.....	19	2,798.22	35,164.40
1883.....	15	2,051.51	89,965.00
1884.....	6	683.71	9,237.10
1885.....	1	52.44	524.40
1886.....	2	200.70	2,007.00
1889.....	4	560.87	9,617.40
1890.....	8	1,159.74	23,194.80
1891.....	10	1,401.96	20,048.90
1892.....	8	1,195.94	22,318.80
1893.....	4	560.00	11,200.00
1894.....	8	1,084.54	15,290.80
1896.....	8	962.16	16,043.20
1897.....	1	160.00	3,200.00
1899.....	4	658.30	11,333.00
1900.....	11	1,757.06	33,541.20
1901.....	12	2,892.76	54,655.20
1902.....	4	200.22	4,004.40
1903.....	18	2,407.49	46,549.80
1904.....	6	720.00	14,400.00
1905.....	19	2,685.04	36,862.40
1906.....	37	5,520.63	69,606.30
July 1 to Sept. 30, 1906.....	1	120.00	2,400.00
Total.....	288	33,136.04	517,764.40

WASHINGTON.

1874.....	3	484.83	\$4,848.30
1875.....	10	1,399.77	13,997.70
1876.....	3	480.00	6,400.00
1877.....	3	400.00	4,000.00
1878.....	1	40.00	800.00
1880.....	5	753.15	15,063.00
1881.....	7	961.93	19,238.60
1882.....	11	1,516.17	26,761.70
1883.....	27	3,929.90	71,759.70
1884.....	8	1,160.00	23,200.00
1885.....	1	40.00	800.00
1886.....	3	440.00	7,600.00
1887.....	44	6,185.54	90,614.80
1888.....	34	5,258.84	76,377.80
1889.....	20	2,915.94	47,907.40
1890.....	16	2,376.54	36,964.40
1891.....	15	2,067.15	34,669.50
1892.....	8	1,165.85	23,317.00
1893.....	13	2,143.00	27,145.00

Statement of coal lands disposed of in the different States and Territories, with recapitulation, from July 1, 1873, to September 30, 1906, inclusive, under act of March 3, 1873 (17 Stat. L., 607)—Continued.

WASHINGTON—Continued.

Fiscal year—	Entries.	Acres.	Receipts.
1894.....	5	800.00	\$12,800.00
1895.....	5	280.00	5,600.00
1896.....	1	40.00	800.00
1897.....	1	40.00	800.00
1898.....	3	596.10	10,361.00
1899.....	5	680.00	13,600.00
1900.....	6	960.06	9,600.60
1901.....	4	632.17	6,321.70
1902.....	6	839.89	15,198.90
1903.....	10	1,926.14	21,305.20
1904.....	1	160.00	1,600.00
1905.....	4	600.00	12,000.00
1906.....	2	698.13	13,962.60
Total	285	41,971.10	655,414.90

WYOMING.

1874.....	1	120.00	\$2,400.00
1875.....	2	320.00	6,400.00
1876.....	2	760.00	15,200.00
1877.....	1	155.00	3,100.00
1882.....	9	2,080.00	35,200.00
1883.....	2	277.22	5,544.40
1884.....	2	200.00	2,000.00
1885.....	20	3,102.75	61,359.00
1886.....	13	1,568.02	15,680.20
1887.....	18	1,645.91	16,458.10
1888.....	42	6,590.39	104,809.40
1889.....	48	6,844.10	92,052.40
1890.....	43	5,912.38	112,258.00
1891.....	15	1,636.33	31,925.60
1892.....	16	1,793.19	35,463.80
1893.....	9	758.41	10,768.20
1894.....	1	160.00	3,200.00
1895.....	3	240.00	4,800.00
1896.....	3	200.00	3,600.00
1897.....	4	440.00	6,800.00
1898.....	6	760.00	15,200.00
1899.....	7	760.00	14,000.00
1900.....	23	2,994.10	59,482.00
1901.....	25	2,981.88	58,764.10
1902.....	6	520.00	7,200.00
1903.....	23	2,219.80	42,815.20
1904.....	54	7,308.20	144,578.40
1905.....	26	3,345.52	64,910.40
1906.....	61	13,630.25	155,102.50
July 1 to Sept. 30, 1906.....	11	1,620.52	26,197.60
Total	491	70,941.55	1,155,251.30

RECAPITULATION.

State or Territory.	Entries.	Acres.	Receipts.
North Dakota.....	63	3,921.84	\$68,036.80
Alabama.....	3	239.40	2,394.00
Arizona.....	5	800.00	16,000.00
California.....	28	3,809.89	50,098.90
Colorado.....	1,311	190,687.37	2,734,656.85
Dakota.....	8	583.57	5,835.70
Idaho.....	3	288.79	2,822.00
Montana.....	233	34,390.54	598,402.70
Nevada.....	4	640.00	8,000.00
New Mexico.....	169	19,656.37	296,832.80
Oregon.....	36	5,148.72	56,744.20
South Dakota.....	1	160.00	1,600.00
Utah.....	238	33,136.04	517,764.40
Washington.....	285	41,971.10	655,414.90
Wyoming.....	491	70,941.55	1,155,251.30
Total	2,878	406,370.18	6,169,854.55

46 COAL LANDS AND COAL-LAND LAWS OF UNITED STATES.

Statement of coal lands disposed of in the different States and Territories during each fiscal year and total thereof in each year from July 1, 1873, to September 30, 1906, under the act of March 3, 1873 (17 Stat. L., 607).

JULY 1, 1873, TO JUNE 30, 1874.

State or Territory.	Entries.	Acres.	Receipts.
Utah	4	576.76	\$7,535.20
Washington	3	484.83	4,848.30
Wyoming	1	120.00	2,400.00
Total	8	1,181.59	14,783.50

JULY 1, 1874, TO JUNE 30, 1875.

California	1	160.00	\$1,600.00
Oregon	1	25.18	251.80
Washington	10	1,399.77	13,997.70
Wyoming	2	320.00	6,400.00
Total	14	1,904.95	22,249.50

JULY 1, 1875 TO JUNE 30, 1876.

California	6	840.00	\$9,200.00
Utah	1	122.40	1,224.00
Washington	8	480.00	6,400.00
Wyoming	2	760.00	15,200.00
Total	12	2,202.40	32,024.00

JULY 1, 1876, TO JUNE 30, 1877.

Colorado	1	80.00	\$1,600.00
Utah	4	480.00	4,800.00
Washington	8	400.00	4,000.00
Wyoming	1	155.00	3,100.00
Total	9	1,115.00	13,500.00

JULY 1, 1877, TO JUNE 30, 1878.

Utah	1	160.00	\$3,200.00
Washington	1	40.00	800.00
Total	2	200.00	4,000.00

JULY 1, 1878, TO JUNE 30, 1879.

Colorado	2	200.80	\$2,416.00
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JULY 1, 1879, TO JUNE 30, 1880.

Colorado	5	680.56	\$7,205.60
New Mexico	5	721.35	7,220.10
Utah	4	792.07	7,919.90
Washington	5	753.15	15,063.00
Total	19	2,947.13	37,408.60

JULY 1, 1880, TO JUNE 30, 1881.

Colorado	23	3,437.13	\$38,744.70
Montana	1	40.00	400.00
Utah	18	1,176.52	12,021.20
Washington	7	961.93	19,238.60
Total	49	5,615.58	70,404.50

COAL LANDS AND COAL-LAND LAWS OF UNITED STATES. 47

Statement of coal lands disposed of in the different States and Territories during each fiscal year and total thereof in each year from July 1, 1873, to September 30, 1906, under the act of March 3, 1873 (17 Stat. L., 607)—Continued.

JULY 1, 1881, TO JUNE 30, 1882.

State or Territory.	Entries.	Acres.	Receipts.
California	2	320.00	\$3,200.00
Colorado	12	1,611.57	19,515.10
Montana	3	480.00	4,800.00
Utah	19	2,798.22	35,164.40
Washington	11	1,516.17	26,761.70
Wyoming	9	2,080.00	35,200.00
Total	56	8,705.96	124,641.20

JULY 1, 1882, to JUNE 30, 1883.

Alabama	3	239.40	\$2,394.00
California	3	480.00	5,200.00
Colorado	55	10,943.63	210,872.60
Dakota	5	431.13	4,311.30
Montana	8	851.19	15,423.80
Oregon	1	157.06	1,570.60
Utah	15	2,051.51	39,865.00
Washington	27	3,929.90	71,759.70
Wyoming	2	277.22	5,544.40
Total	119	19,361.04	356,941.40

JULY 1, 1883, to JUNE 30, 1884.

California	1	80.00	\$800.00
Colorado	29	3,609.49	59,389.80
Dakota	2	112.44	1,124.40
Montana	19	2,158.09	31,477.30
New Mexico	2	120.00	2,400.00
Utah	6	688.71	9,237.10
Washington	8	1,160.00	23,200.00
Wyoming	2	200.00	2,000.00
Total	69	8,118.73	129,628.60

JULY 1, 1884, TO JUNE 30, 1885.

Colorado	18	2,479.94	\$25,999.40
Montana	4	280.00	5,600.00
Utah	1	52.44	524.40
Washington	1	40.00	800.00
Wyoming	20	3,102.75	61,359.00
Total	44	5,955.13	94,282.80

JULY 1, 1885, TO JUNE 30, 1886.

California	2	400.00	\$8,000.00
Colorado	22	2,845.94	56,118.60
Idaho	1	8.79	22.00
Montana	24	3,335.32	33,353.20
New Mexico	10	1,349.96	13,499.60
Utah	2	200.70	2,007.00
Washington	3	440.00	7,600.00
Wyoming	13	1,566.02	15,660.20
Total	77	10,146.73	136,260.60

JULY 1, 1886, TO JUNE 30, 1887.

California	1	80.00	\$1,600.00
Colorado	35	6,513.83	87,479.40
Montana	5	520.00	5,600.00
New Mexico	8	796.02	8,760.20
Washington	44	6,185.54	90,614.80
Wyoming	13	1,645.91	16,459.10
Total	106	15,741.30	210,513.50

48 COAL LANDS AND COAL-LAND LAWS OF UNITED STATES.

Statement of coal lands disposed of in the different States and Territories during each fiscal year and total thereof in each year from July 1, 1873, to September 30, 1906, under the act of March 3, 1873 (17 Stat. L., 607)—Continued.

JULY 1, 1887, TO JUNE 30, 1888.

State or Territory.	Entries.	Acres.	Receipts.
California.....	2	240.00	\$3,200.00
Colorado.....	106	16,708.30	284,563.70
Dakota.....	1	40.00	400.00
Montana.....	9	1,158.65	13,186.50
New Mexico.....	4	230.57	2,305.70
Washington.....	34	5,258.84	76,377.80
Wyoming.....	42	6,590.39	104,809.40
Total.....	198	30,226.76	484,843.10

JULY 1, 1888, TO JUNE 30, 1889.

California.....	4	640.00	\$11,200.00
Colorado.....	113	15,909.53	296,986.90
Montana.....	18	4,638.56	91,185.60
New Mexico.....	4	320.00	5,600.00
Utah.....	1	560.87	9,617.40
Washington.....	20	2,915.94	47,907.40
Wyoming.....	48	6,844.10	92,052.40
Total.....	211	31,829.00	554,549.70

JULY 1, 1889, TO JUNE 30, 1890.

Colorado.....	81	10,608.25	\$138,233.10
Montana.....	10	2,122.46	40,849.20
New Mexico.....	2	80.00	1,600.00
Utah.....	8	1,159.74	23,194.80
Washington.....	16	2,876.54	36,964.40
Wyoming.....	43	5,912.38	112,258.00
Total.....	160	22,259.87	* 353,099.50

JULY 1, 1890, TO JUNE 30, 1891.

California.....	2	200.00	\$2,000.00
Colorado.....	21	2,872.03	54,611.75
Idaho.....	1	80.00	800.00
Montana.....	5	797.46	14,374.60
New Mexico.....	4	570.90	6,509.00
Utah.....	10	1,401.96	20,048.90
Washington.....	15	2,067.15	34,669.50
Wyoming.....	15	1,636.33	31,926.60
Total.....	73	9,625.83	164,940.35

JULY 1, 1891, TO JUNE 30, 1892.

Colorado.....	11	1,210.67	\$24,213.40
Montana.....	5	761.01	15,220.20
New Mexico.....	1	80.00	1,600.00
Oregon.....	1	120.00	2,400.00
Utah.....	8	1,195.94	22,318.80
Washington.....	1	1,165.85	23,317.00
Wyoming.....	16	1,793.19	33,463.80
Total.....	50	6,326.66	122,533.20

Statement of coal lands disposed of in the different States and Territories during each fiscal year and total thereof in each year from July 1, 1873, to September 30, 1906, under the act of March 3, 1873 (17 Stat. L., 607)—Continued.

JULY 1, 1892, TO JUNE 30, 1893.

State or Territory.	Entries.	Acres.	Receipts.
Colorado	42	5,601.38	\$104,828.00
Montana	6	1,748.09	25,638.10
New Mexico	10	1,357.96	26,359.20
North Dakota	1	80.00	1,600.00
Oregon	1	40.00	400.00
Utah	4	560.00	11,200.00
Washington	13	2,143.00	27,145.00
Wyoming	9	758.41	10,768.20
Total	86	12,288.84	207,938.50

JULY 1, 1893, TO JUNE 30, 1894.

Colorado	2	104.37	\$2,087.40
Montana	2	200.00	4,000.00
New Mexico	1	316.51	3,165.10
North Dakota	1	40.00	400.00
Utah	8	1,084.54	15,290.80
Washington	5	800.00	12,800.00
Wyoming	1	160.00	3,200.00
Total	20	2,705.42	40,943.30

JULY 1, 1894, TO JUNE 30, 1895.

California	1	40.00	\$800.00
Colorado	11	1,027.63	20,552.60
Montana	10	1,800.00	34,400.00
New Mexico	4	262.47	5,249.40
Washington	5	280.00	5,600.00
Wyoming	3	240.00	4,800.00
Total	34	3,650.10	71,402.00

JULY 1, 1895, TO JUNE 30, 1896.

Colorado	8	951.09	\$15,821.80
Montana	13	1,558.95	31,139.00
New Mexico	4	218.90	4,378.00
North Dakota	1	40.00	400.00
Oregon	1	80.00	1,600.00
Utah	8	962.16	16,043.20
Washington	1	40.00	800.00
Wyoming	3	200.00	3,600.00
Total	39	4,049.10	78,782.00

JULY 1, 1896, TO JUNE 30, 1897.

Colorado	6	519.74	\$9,994.80
Montana	6	440.00	8,000.00
New Mexico	21	2,530.11	26,501.10
North Dakota	1	80.00	1,600.00
Utah	1	160.00	3,200.00
Washington	1	40.00	800.00
Wyoming	4	440.00	6,800.00
Total	40	4,209.85	56,895.90

50 COAL LANDS AND COAL-LAND LAWS OF UNITED STATES.

Statement of coal lands disposed of in the different States and Territories during each fiscal year and total thereof in each year from July 1, 1873, to September 30, 1906, under the act of March 3, 1873 (17 Stat. L., 607)—Continued.

JULY 1, 1897, to JUNE 30, 1898.

State or Territory.	Entries.	Acres.	Receipts.
Colorado	11	840.56	\$16,411.20
Montana	11	1,721.97	34,039.40
New Mexico	6	840.00	12,000.00
Washington	3	596.10	10,361.00
Wyoming	6	760.00	15,200.00
Total	37	4,758.63	88,011.60

JULY 1, 1898, TO JUNE 30, 1899.

Colorado	20	1,172.94	\$19,858.80
Montana	15	1,711.18	31,823.60
New Mexico	2	320.00	6,400.00
North Dakota	1	134.51	2,690.20
Oregon	1	160.00	3,200.00
Utah	4	653.80	11,338.00
Washington	5	680.00	13,600.00
Wyoming	7	760.00	14,000.00
Total	55	5,591.93	102,905.60

JULY 1, 1899, to JUNE 30, 1900.

California	2	289.89	\$2,898.90
Colorado	32	2,589.88	50,597.60
Montana	13	2,761.68	55,233.60
Nevada	1	160.00	1,600.00
New Mexico	8	680.00	12,400.00
Utah	11	1,757.06	33,541.20
Washington	6	960.06	9,600.60
Wyoming	23	2,994.10	59,482.00
Total	96	12,192.67	225,353.90

JULY 1, 1900, TO JUNE 30, 1901.

Colorado	59	6,000.00	\$114,400.00
Montana	3	200.00	3,600.00
New Mexico	13	1,240.00	24,800.00
North Dakota	2	238.90	4,778.00
Oregon	1	170.70	3,414.00
Utah	12	2,892.76	54,655.20
Washington	4	632.17	6,321.70
Wyoming	25	2,981.38	58,764.10
Total	119	14,355.91	270,733.00

JULY 1, 1901, TO JUNE 30, 1902.

California	1	40.00	\$400.00
Colorado	97	14,715.47	172,068.00
Idaho	1	200.00	2,000.00
Montana	3	360.00	7,200.00
New Mexico	6	674.52	12,690.40
North Dakota	8	686.80	12,136.00
Utah	4	200.22	4,004.40
Washington	6	839.89	15,198.90
Wyoming	6	520.00	7,200.00
Total	132	18,236.90	232,897.70

Statement of coal lands disposed of in the different States and Territories during each fiscal year and total thereof in each year from July 1, 1873, to September 30, 1906, under the act of March 3, 1873 (17 Stat. L., 607)—Continued.

JULY 1, 1902, TO JUNE 30, 1903.

State or Territory.	Entries.	Acres.	Receipts.
Colorado.....	162	26,093.33	\$292,666.60
Montana.....	13	1,756.78	34,735.60
Nevada.....	2	320.00	3,200.00
New Mexico.....	20	2,966.78	59,743.20
North Dakota.....	7	387.62	7,352.40
Oregon.....	27	4,070.78	40,707.80
Utah.....	18	2,407.49	46,649.80
Washington.....	10	1,926.14	21,305.20
Wyoming.....	23	2,219.80	42,815.20
Total	282	42,168.72	549,075.80

JULY 1, 1903, TO JUNE 30, 1904.

Colorado.....	104	18,695.13	\$201,751.30
Montana.....	12	1,040.21	18,404.20
New Mexico.....	7	560.00	8,800.00
North Dakota.....	12	463.80	9,276.00
Oregon.....	1	160.00	1,600.00
Utah.....	6	720.00	14,400.00
Washington.....	1	160.00	1,600.00
Wyoming.....	54	7,308.28	144,578.40
Total	197	29,107.42	400,409.90

JULY 1, 1904, TO JUNE 30, 1905.

Colorado.....	90	11,412.85	\$130,925.40
Montana.....	2	119.60	1,932.00
New Mexico.....	17	2,275.46	28,754.60
North Dakota.....	11	577.88	11,157.60
Oregon.....	1	160.00	1,600.00
South Dakota.....	1	160.00	1,600.00
Utah.....	19	2,685.04	36,862.40
Washington.....	4	600.00	12,000.00
Wyoming.....	26	3,345.52	64,910.40
Total	171	21,336.35	289,802.40

JULY 1, 1905, TO JUNE 30, 1906.

Colorado.....	130	20,991.33	\$270,343.30
Montana.....	8	1,307.22	26,144.40
Nevada.....	1	160.00	3,200.00
New Mexico.....	8	1,004.86	13,697.20
North Dakota.....	14	952.33	13,846.60
Utah.....	37	5,520.63	69,606.30
Washington.....	2	698.13	13,962.60
Wyoming.....	61	13,630.25	155,102.50
Total	261	44,264.75	565,902.90

JULY 1, 1906, TO SEPTEMBER 30, 1906.

Arizona.....	5	800.00	\$16,000.00
Colorado.....	3	360.00	4,400.00
Montana.....	5	529.12	10,582.40
New Mexico.....	2	120.00	2,400.00
North Dakota.....	4	240.00	2,800.00
Utah.....	1	120.00	2,400.00
Wyoming.....	11	1,620.52	26,197.60
Total	31	3,789.64	64,780.00

52 COAL LANDS AND COAL-LAND LAWS OF UNITED STATES.

Statement, by fiscal years, of the disposal of coal lands from July 1, 1873, to September 30, 1906, under the act of March 3, 1873 (17 Stats., 607).

Fiscal year.	Entries.	Acres.	Receipts.
1874.....	8	1,181.59	\$14,783.50
1875.....	14	1,904.95	22,249.50
1876.....	12	2,202.40	32,024.00
1877.....	9	1,115.00	13,500.00
1878.....	2	200.00	4,000.00
1879.....	2	200.80	2,416.00
1880.....	19	2,947.13	37,408.00
1881.....	49	5,615.58	70,404.50
1882.....	56	8,705.96	124,641.20
1883.....	119	19,361.04	356,941.40
1884.....	69	8,118.73	129,628.60
1885.....	44	5,955.13	94,282.80
1886.....	77	10,146.73	136,260.60
1887.....	106	15,741.30	210,513.50
1888.....	198	30,226.75	484,843.10
1889.....	211	31,829.00	554,549.70
1890.....	160	22,259.37	353,099.50
1891.....	73	9,625.83	164,940.35
1892.....	50	6,326.66	122,533.20
1893.....	86	12,288.84	207,938.50
1894.....	20	2,705.42	40,943.30
1895.....	34	3,660.10	71,402.00
1896.....	39	4,049.10	73,782.00
1897.....	40	4,209.85	56,896.90
1898.....	37	4,758.63	88,011.60
1899.....	55	5,591.98	102,906.60
1900.....	96	12,192.67	225,353.90
1901.....	119	14,355.91	270,733.00
1902.....	132	18,236.90	232,897.70
1903.....	282	42,168.72	549,075.80
1904.....	197	29,107.42	400,409.90
1905.....	171	21,336.35	289,802.40
1906.....	261	44,264.75	565,902.90
July 1, 1906, to Sept. 30, 1906.....	31	3,789.64	64,780.00
Total	2,878	406,370.18	6,169,854.55

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COAL LANDS AND COAL-LAND LAWS OF THE UNITED STATES.

COMMITTEE ON PUBLIC LANDS,
U. S. HOUSE OF REPRESENTATIVES,

Washington, D. C., Friday, January 11, 1907.

The committee met at 10.30 o'clock a. m.

Present: Representative Lacey (chairman), Mondell, Martin, Volstead, McCarthy, French, Smith, Gronna, Burnett, and Robinson.

Present, also, E. W. Parker, esq., and A. H. Brooks, esq., of the U. S. Geological Survey; Samuel W. Gebo, esq., and others.

STATEMENT OF A. H. BROOKS, ESQ., CHIEF OF THE DIVISION OF ALASKAN MINERAL RESOURCES, U. S. GEOLOGICAL SURVEY.

The CHAIRMAN. Mr. Brooks, will you proceed with your statement?

Mr. BROOKS. I have presented here a map, Mr. Chairman, which shows the coal areas of Alaska. You will note that the coals are divided into two classes—the lignites and the bituminous coals. The bituminous coals include some anthracite. The lignites vary in composition from brown lignite to some that are pretty close to bituminous.

Mr. BURNETT. Which color represents each? I can not see from here.

Mr. BROOKS. The black is the bituminous, and the gray is the lignite. Perhaps it will be easier to point out these areas. The areas of bituminous coal are very small. We have one here; this is the Controller Bay field, sometimes called the Bering River field. Here is the Matanuska field. That is the one that is northeast of Cook Inlet. The third is up here at Cape Lisburne, on the Arctic Ocean, and is usually known as the Cape Lisburne field. Those are the only three areas which we at present know to contain bituminous coal.

Mr. MONDELL. Does that upper area have an ice-free harbor?

Mr. BROOKS. There is no harbor there at all. Do you mean up here on the Arctic Ocean?

Mr. MONDELL. Yes; on the Arctic Ocean.

Mr. BROOKS. There is no harbor at all there; you simply have the open sea.

Mr. MONDELL. The open roadstead?

Mr. BROOKS. Yes; the open roadstead. When the Arctic ice pack is close to shore you have shelter, but otherwise there is no shelter at all from the northwest.

The CHAIRMAN. As that map is not going into the record, instead of indicating on the map and saying "up here" and "down there,"

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and so on, please locate the different points so that the transcript will show where you mean.

Mr. BROOKS. Yes; I see. This is the Lisburne field, on the Arctic Ocean. I will say that there is a small harbor about 40 miles to the south for vessels of shallow draft. Possibly it might be utilized.

The total area of known lignites is 7,711 square miles. The total area of bituminous coals—that is, including the anthracite—is about 475 square miles. (A detailed statement of area will be found at the end of the testimony.)

Mr. MONDELL. That is about the area of the anthracite field in Pennsylvania?

Mr. BROOKS. Yes; approximately.

Mr. MONDELL. You give those as the approximate areas. Are the limits of the fields pretty clearly defined, so that you feel pretty confident in your estimates?

Mr. BROOKS. As regards the bituminous field on the Pacific coast, here at Matanuska and at Controller Bay and at Cape Lisburne, we know pretty well the outline of that field, because our men have been over it.

Mr. MONDELL. And you catch the crop on all sides of the basin?

Mr. BROOKS. Yes; they are surrounded by older rocks, so that we know pretty well the area. Of course those coals are in many places closely folded and they go to considerable depth. Now, of course, we can not tell whether the coals within the area are all available for mining or not, because they have not been developed.

Mr. MONDELL. And you do not know, of course, just how badly faulted or broken they are?

Mr. BROOKS. No. We do not know that these bituminous coals are considerably faulted and folded; but as there are but few openings, and as the surface croppings are rather poor, we can not tell to what extent that has taken place.

Mr. MONDELL. Do the surface croppings indicate a fairly uniform thickness and quality?

Mr. BROOKS. That varies in the two fields and in different parts of the field. In some cases the surface cropping can be traced for a long distance with uniform thickness, and again it is very pocketed. I have myself seen in the Controller Bay field a coal seam of good, high-grade bituminous coal which was over 65 feet in thickness, but the presumption is that this was a rather local fold, where the folding—

Mr. MONDELL. Where the folding had pressed the coal together?

Mr. BROOKS. Yes.

Mr. GRONNA. I have understood that a great deal of this bituminous and anthracite coal in Alaska is of a very high grade. Is that so?

Mr. BROOKS. Yes.

Mr. GRONNA. That the veins are very thick also?

Mr. BROOKS. The beds are thick.

Mr. MONDELL. What is the average thickness of the Controller Bay and the Matanuska beds?

Mr. BROOKS. It is rather difficult to say, except that we know that we have a great many beds that are from 10 to 20 feet thick. Then, of course, we have these local swellings.

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Mr. MONDELL. Is the coal reasonably clean?

Mr. BROOKS. Yes.

Mr. MONDELL. Is it without parting?

Mr. BROOKS. Yes; on the whole, it is rather clean.

Mr. MONDELL. Does it contain any partings or bands?

Mr. BROOKS. Of course there are partings; but, compared with other coal fields, I should call it a clean coal—that is, a great many of the seams. Of course I need hardly say that there are seams which have many partings in them.

Mr. MONDELL. Is there more than one definite and continuous seam in each of those fields?

Mr. BROOKS. Oh, yes; there are many, but how many we can not say.

Mr. MONDELL. Or how many are workable?

Mr. BROOKS. We can not say how many are workable.

Mr. GRONNA. How many tons will they produce per acre?

Mr. BROOKS. I do not think there are any facts on which to base an estimate as regards that. You see, the rocks and the coals are very closely folded, and you may have a seam which appears to be very large at the surface which goes down and is faulted off again.

Mr. MONDELL. Mr. Brooks, you have of course analyses of those coals. Could you file with the stenographer what you consider an average, or a number of analyses, that will average the quality of those coals?

Mr. BROOKS. Yes; we have them all calculated out—the averages of the different fields. (See table at end of testimony.)

Mr. MONDELL. Is that bituminous coal generally high in fixed carbon?

Mr. BROOKS. In the Bering River field the average of seven analyses gave 78.23 in fixed carbon.

Mr. MONDELL. 78.23?

Mr. BROOKS. Yes.

Mr. MONDELL. That is running to an anthracite, is it not?

Mr. BROOKS. Yes, that is running to an anthracite. I should have said that this is a semianthracite; yes. Seven analyses of the Bering Sea anthracite coal gave 78.23 in fixed carbon.

Mr. MONDELL. What does the bituminous coal run in fixed carbon, on an average? Never mind, though, as you are going to put those figures in.

Mr. BROOKS. Yes; I will give you those figures. They are scattered through the report.

Mr. MONDELL. Are the coals generally low in ash?

Mr. BROOKS. Yes; they are low in ash. That is, I am speaking only of the bituminous coal.

Mr. MONDELL. That is the coal I have reference to.

Mr. BROOKS. Yes.

Mr. MONDELL. Do they make a reasonably good coke?

Mr. BROOKS. Some of the seams, yes. Of course not many of them have been tested, but we know that some of them make a good coking coal.

Mr. MONDELL. You do not know as to all of them?

Mr. BROOKS. No; we do not know as to all of them. Some of them appear not to be coking coal; we know that, but we have not tested them all.

The CHAIRMAN. Is not a very large portion of the Alaska coal of a very inferior quality, hardly worth working for any purpose?

Mr. BROOKS. Yes, that is true.

Mr. MONDELL. But we were speaking now of the bituminous fields.

Mr. BROOKS. I should modify that and say that the lignites, in spite of their very low grade, are of great value in the interior and in some places where wood is scarce or is becoming scarce. As an example of that, I will call your attention to a little spot on the map here [indicating]. That is about 200 miles northeast of Nome. It is in the Fairhaven placer district. There is a little claim there which produces every year several thousand tons of lignite, which I do not think would find sale anywhere in the United States, and that coal I know has sold as high as \$45 a ton. But it lies in the barren ground, and there is absolutely no other fuel there.

The CHAIRMAN. There are a number of mines along the Yukon where it is hard to tell whether it is coal or mud when it comes out, is it not?

Mr. BROOKS. No; on the lower Yukon there is some very good lignite; some of it runs up into subbituminous. Then, on the upper Yukon, the coals are lignitic, and they are not high grade.

The CHAIRMAN. Have you inspected the coal over in the Eagle City or Circle City country?

Mr. BROOKS. Yes; I have seen some of that along the Yukon there; that is, some of the lower grade lignite on the upper Yukon.

The CHAIRMAN. The steamers can not burn it, can they?

Mr. BROOKS. They do not like to burn it. I think they have hardly given it a fair test.

Mr. MONDELL. It does not burn well under forced draft?

Mr. BROOKS. No; it does not burn well under forced draft.

Mr. MONDELL. Do you know what the average constituent of moisture in those upper Yukon lignites is? I will ask you to put that in the record also.

Mr. BROOKS. In the Alaska lignite the moisture runs, according to this table, from 11 to 24 per cent. This one that I spoke of, northeast of Nome, runs 24 per cent. That sold at one time at \$45 a ton. I think that probably the price now is something like \$20.

Mr. MONDELL. That is at a distance from the mines?

Mr. BROOKS. No.

Mr. MONDELL. That includes cost of transportation?

Mr. BROOKS. No; that is right close to the mine. The only market for it is within 25 miles of the mine. It is hauled by horses. No; that includes practically no transportation charges; but it has no competition. A good bituminous coal in the same district at the same time has brought \$85 a ton.

Mr. BURNETT. Does the lignite coke at all?

Mr. BROOKS. No.

Mr. BURNETT. It has too much moisture?

Mr. BROOKS. Yes. Mr. Campbell, I think, touched on that point yesterday.

Mr. BURNETT. Yes; he spoke of that in Montana; but I did not know whether it was all the same as to that or not.

Mr. GRONNA. It is, however, of a very much higher grade than the lignites you will find in the Dakotas and Montana.

Mr. BROOKS. Some of it is.

Mr. BURNETT. That is, there is less moisture; it contains less water?

Mr. BROOKS. Yes; some of it is.

Mr. GRONNA. I understand that the coal fields in some parts of West Virginia and Kentucky produce as much as 22,000 tons per acre. Do you suppose that the bituminous and anthracite fields in Alaska will produce that much from your observation?

Mr. BROOKS. I do not doubt that there are acres there that will produce as much coal as any that has been mined in the States; but as to what extent——

Mr. GRONNA. The beds that are discovered are thicker, in fact, than any beds that have been discovered in West Virginia or in the western coal fields?

Mr. BROOKS. Yes. At the same time, the Alaska coal, this high-grade bituminous coal, is very much faulted and disturbed, and it is quite probable that there is a great deal of it that can not be mined. There would be a great deal of loss where it is faulted down to great depths or much broken.

Mr. MONDELL. Are there any considerable areas in those bituminous fields that appear to be comparatively undisturbed; or will the cost of mining probably be pretty high everywhere, owing to faults and intrusions?

Mr. BROOKS. I think the cost of mining in both those fields is going to be high on that account. As far as our observations have gone both fields are considerably broken.

Mr. MONDELL. With the possibility of running into serious faults at any point, at any time?

Mr. BROOKS. Yes; I think that is true.

Mr. BURNETT. Do I understand that there are only a little over 500 square miles of bituminous coal in Alaska?

Mr. BROOKS. I want to speak on that question; I want to say that less than a third of Alaska has been surveyed.

Mr. MONDELL. That is, geologically surveyed, you mean?

Mr. BROOKS. Yes; geologically surveyed, or topographically surveyed, or surveyed in any way.

Mr. MONDELL. Practically none of it has had a land survey run over it?

Mr. BROOKS. Yes.

Mr. MONDELL. You have reference to a topographic and geological survey?

Mr. BROOKS. Yes; none of it has had a land survey. Therefore there are very large areas which we know little or nothing about. When I say, therefore, that the total area of coal-bearing rocks is about 800 square miles, about the same as that of Alabama, it simply means that those are the known areas. There is reason to believe that this area in here, this tract in northern Alaska, contains a great deal of coal; but it is a region which is practically unexplored, and has, at present at least, no commercial importance whatever.

Mr. MONDELL. Why do you limit the Bering Sea field there so definitely? Are the limitations inland of that field clear?

Mr. BROOKS. Do you mean here [indicating Cape Lisburne]?

Mr. MONDELL. Yes.

Mr. BROOKS. That is the Cape Lisburne field on the Arctic Ocean.

Mr. MONDELL. Are the limitations inland clear there?

Mr. BROOKS. One of our parties investigated that field some two years ago, and outlined the area of that field. Now, he did not go any farther inland than that. Thus, that particular field is, however, limited as I show it on the map, for there are older rocks beyond.

Mr. MONDELL. They do run into older rocks beyond the limitations given?

Mr. BROOKS. Yes; but these coal-bearing rocks are so thick, have such enormous thickness, that there is every reason to believe that they extend eastward, and that we will find other basins of coal to the eastward; and it is quite possible that this tract along northern Alaska, extending eastward from Cape Lisburne, contains more coal than all the rest of Alaska.

Mr. MONDELL. How does that northern field compare in quality and thickness with the southern field?

Mr. BROOKS. It is inferior.

Mr. MONDELL. Inferior?

Mr. BROOKS. Yes; there are few coal seams here which belong in the class of older coals which are of Carboniferous age. That is of the same age as our eastern coals. They lie close to the coast and contain very high-grade fuels; but most of the coals of this field belong to a younger series of rocks, being in part of Jurassic age.

Mr. MONDELL. Then there are quite a number of veins in that field?

Mr. BROOKS. Oh, yes; a great number of veins.

Mr. MONDELL. And a great thickness of coal-bearing strata?

Mr. BROOKS. And a great thickness of coal-bearing strata—probably 10,000 or 12,000 feet. But that coal is not of the same high grade that we find in the coastal region of southern Alaska. As I say, therefore Alaska may contain two or three times the area of coal which I have given; but it is probable that most of the area will lie in the districts which are at present so remote from transportation lines as to be unavailable.

Mr. MONDELL. I notice that you give a lignite field on the Colville River.

Mr. BROOKS. Yes; it is exposed along a tributary to the Anaktuvuk River, of which I do not remember the name. There is a lignite field in there that has been surveyed along the Anaktuvuk River.

Mr. MONDELL. You give that as a lignite, do you?

Mr. BROOKS. Yes.

Mr. MONDELL. Is the character of that field pretty well known?

Mr. BROOKS. No; there is very little known about it. We simply know that there are Tertiary rocks in there which carry lignites to a considerable extent, and the same horizon probably outcrops to the westward toward Cape Lisburne.

Mr. MONDELL. I notice that down here on the Kubuk you have a lignite field?

Mr. BROOKS. Yes.

Mr. MONDELL. But your idea is that in this region north of the Noatak, and through here, the same coal formations that outcrop at Cape Bufort probably occur?

Mr. BROOKS. Yes; there have been one or two explorers who have

crossed that field, and they have reported coal, but were able to find out very little about the quality of it.

Mr. MONDELL. Would that region be difficult of access?

Mr. BROOKS. You see, the Arctic Ocean is closed by ice from September until practically the 1st of July.

Mr. MONDELL. This stream is not navigable, is it [indicating the Noatak River]?

Mr. BROOKS. No; there is no harbor in Alaska above this line [indicating] that is open throughout the year, and the Arctic Ocean itself is closed for navigation practically all except two and a half months of the year.

Mr. SMITH. Instead of saying "above this line" will you give the latitude?

Mr. BROOKS. It is about latitude 60°; approximately 60°.

Mr. SMITH. There is no open harbor above latitude 60°?

Mr. BROOKS. No; that is, on the Bering Sea. When you come into the Pacific Ocean, the Pacific Ocean is open throughout the year, but in the Bering Sea the winter pack ice comes down to about latitude 60.

Mr. MONDELL. All of the harbors of the Gulf of Alaska are open the year round?

Mr. BROOKS. All are open except the head of Cook Inlet. That is closed in the winter.

Mr. MONDELL. When did you examine the southern bituminous fields in Alaska?

Mr. BROOKS. I was in there myself a year ago last summer. They have been investigated since that time by the Geological Survey. Our parties were in there again last year.

Mr. MONDELL. What did you find in the way of development there, and what development has taken place since, to your knowledge?

Mr. BROOKS. The companies that have operated there have been engaged chiefly in the building of roads and the making of trails, which are an absolute necessity in that country, because it is heavily timbered. I refer now to the Controller Bay region. A number of the large companies have also made very careful and accurate surveys, and they have done some stripping, and in several instances have driven tunnels along coal seams to distances of from 50 to 100 or perhaps 200 feet.

Mr. MONDELL. Far enough to get an idea of the veins?

Mr. BROOKS. Oh, yes.

Mr. MONDELL. I understand that a railway is projected to one of these fields. Which field is that?

Mr. BROOKS. In the case of both fields there are railroad projects; in fact, railroads are being built which are planned to tap both fields. To take up the Matanuska field first, a railroad has been under construction for the past three years, known as the Alaska Central, which starts on the southern side of the Kenai Peninsula, on Resurrection Bay, which is a very good harbor, passes northward, is to swing around the head of Cook Inlet, and then to be extended into the coal field. About 50 miles of that railway have been completed and about 20 more have been in part graded. To reach the coal field it will be necessary to build about 200 miles of track.

The Controller Bay coal field lies only 25 miles from the coast. There is no good harbor there. Two projects have been made for

developing that field. The one is to make an artificial harbor near Katala, about 20 miles from the coal. Engineers have reported this as a feasible plan. The other project is to build a railway about 100 miles in length to Prince William Sound, to what is known as Cordova Bay, the eastern arm of Prince William Sound. That railway has been surveyed, and I am credibly informed that about 20 miles of track have been completed.

Mr. MONDELL. There is a harbor there, is there not?

Mr. BROOKS. There is a good harbor; yes.

The CHAIRMAN. How much do each of those railroads now lack of reaching the coal fields?

Mr. BROOKS. The Alaska Central Railway has completed, I think, only 50 miles of track, and the distance is about 200 miles. They have done more or less work, however, along some 60 or 70 miles more of that line. The other railway—I do not remember the name of it now, but it is the one building from Cordova Bay—is said to have completed about 20 miles of track, and probably has about 60 more to build.

The CHAIRMAN. Is it not true that that whole region there is getting its coal from British Columbia now?

Mr. BROOKS. In 1905 the consumption of coal in Alaska and by the steamers plying to its ports was over 250,000 tons, of which probably about 50 per cent came from British Columbia.

The CHAIRMAN. Then some is even coming from Australia, is it not?

Mr. BROOKS. There has been some coal brought to Alaska from Australia.

The CHAIRMAN. Why should not that coal be opened up and allowed to be mined, so that the people there can get coal without importing it from Australia and British Columbia?

Mr. BROOKS. I think one of the great difficulties they have had to contend with is the coal-land law, which permits an individual to take up only 160 acres, and, as I understand it, requires each individual to patent his claim individually.

The CHAIRMAN. It is not that they have taken too much land, but that they are not permitted to take enough? That is really the trouble in Alaska?

Mr. BROOKS. Yes; that is undoubtedly the difficulty there.

The CHAIRMAN. This committee passed a bill allowing them to increase that to 2 square miles—1,280 acres of land.

Mr. BROOKS. That, I think, is little enough.

The CHAIRMAN. And that bill is now hung up in the Senate. What do you think about the propriety of it?

Mr. BURNETT. What bill is that?

The CHAIRMAN. We passed that bill in the House, increasing the present limitation so that in Alaska they could combine and take up 1,280 acres of land by one association, so that they could open these mines. That bill is now hung up in the Senate, and in the meantime all entries have been suspended, even of a quarter section, in Alaska.

Mr. GRONNA. I thought the bill specified four quarter sections, or four sections.

The CHAIRMAN. The bill originally provided for four sections, and the committee cut it down to two, and passed it in that form.

Mr. SMITH. What is the reason given for the withdrawal?

The CHAIRMAN. Largely the recommendation of the Geological Survey; and that is what I was trying to get at, as to why it should be done.

Mr. BROOKS. I think that as far as personally I had anything to do with it—and I knew of the withdrawal about the time it was made—it was my idea that if the withdrawal were made we would have a better coal-land law for Alaska. I did not expect that the withdrawal would be anything but a temporary expedient.

Mr. SMITH. In contemplation of further legislation?

Mr. BROOKS. Yes. I did not know at the time that there would be any attempt made to keep men from securing patents to their land. I think it is a very important thing that they should be allowed to go ahead and patent.

The CHAIRMAN. That withdrawal has been so broad that those men who have gone on and prospected and gotten their mines opened up and tendered their money, having been invited to do so under existing law, have had their claims suspended; and all proceedings to obtain title or open up that coal have been stopped in Alaska. I have been told that 400 claims, declaratory and otherwise, instituted in Alaska have been suspended by this order. I wish that you would tell us all that you know about that.

Mr. BROOKS. I have no personal knowledge whatever in regard to this subject. It is a matter under the Land Office.

Mr. GRONNA. Do I understand that you recommend that this land shall go into private ownership, and that they shall be permitted to take at least 320 acres—that is, from two to four sections? Do I understand you correctly?

Mr. BROOKS. I do not think I am prepared to answer that question. I simply think that something ought to be done which will permit the development of the coal lands of Alaska. I have talked to one or two men up there that were developing coal lands, and they told me that rather than go on under the present conditions they would prefer to lease land from the Government, so as to control a large acreage. They would rather do that than to go on under the present system, by which they apparently could not obtain title to a large enough tract to repay them for the investment.

Mr. GRONNA. Let me ask you this question, then: Do you not believe it would be better for the Government to withdraw all this land, and lease it altogether, than to let a part of it go into private ownership?

Mr. BROOKS. You must remember that the conditions of development in Alaska are very different from what they are in the States. Alaska to-day stands about as the Western States did thirty or forty years ago. Unless you foster the industries of Alaska and give them help, such as was done in the West in the old days, I think Alaska will not advance; at least, I am afraid it will not.

Mr. GRONNA. The improvement of Alaska will suffer if the land is withdrawn, and if provision is made to lease the land to any mining company that may want to operate in that field? Is that the idea?

Mr. BROOKS. I think this is a question more for the mining interests to answer, as to whether they would be willing to take long-term leases. It might be better in the end, but I should hesitate to indorse

any policy that might discourage capital from entering the field. It takes, let us say, half a million dollars to develop a coal tract. If you have to build a railway 100 miles long, it may take five millions or more to do that. So that a very large investment is required, and unless the conditions are very favorable and there is a good chance that a man can realize handsomely on his investment, he is not likely to make it.

Mr. BURNETT. How is the country there as to accessibility to railroads? Is it very difficult and expensive to build them in there?

Mr. BROOKS. I think no more so than in many parts of the Western States.

Mr. BURNETT. Is it very mountainous and very rugged and broken?

Mr. BROOKS. The difficulty in extending the railroads to the interior lies chiefly in crossing the coastal barrier of mountains—this mountain mass here [indicating]. After you once cross that coastal barrier, it is comparatively easy. There is nothing serious except the bridging of rivers.

The CHAIRMAN. The main difficulty up there is not different from what it is in other countries, except that the winter is long, but the enormous wages that they have to pay for labor is where the expense comes in. Is not that so?

Mr. BROOKS. I think that as far as the coastal region of Alaska goes that will rectify itself; because there is no particular reason why this province here [indicating], which lies on tidewater, should pay higher wages than are paid in the States of Washington or Oregon; at least, I can not see no reason for it.

Mr. MONDELL. Except that it is much farther from the centers of population, and therefore labor would not be available except as you brought it in.

Mr. BROOKS. Yes; but if you develop your mineral resources you will have a population. The population will come.

The CHAIRMAN. Men are not going to Alaska for their health. They go there because of the attractiveness of the wages, and the employers have to offer double the wages paid elsewhere to get them to go there.

Mr. BROOKS. I think that some of the large mining companies in southeastern Alaska pay no higher wages than are paid in the States. That is the most thickly populated part of Alaska, in this belt here [indicating southeastern Alaska].

Mr. GRONNA. What is the price per ton of the best coal in Alaska now; or what was it when you were there?

Mr. BROOKS. It varies greatly.

Mr. GRONNA. I mean the best bituminous coal?

Mr. BROOKS. It varies according to locality.

Mr. GRONNA. Yes.

Mr. BROOKS. In this belt along the Pacific seaboard the price is probably from \$8 to \$12 a ton for British Columbia coal. At Nome the price varies from perhaps \$18 in summer—some coal may have been delivered at less—to \$45. I have told you there was one small mine here which had sold its product for \$45 a ton.

Mr. GRONNA. Yes; I remember.

Mr. BROOKS. I have estimated, though, that the price to the consumer in Alaska is on the average about \$15 or \$20 a ton. That is for a fair grade of bituminous coal.

Mr. GRONNA. And that price is near the mines; it is not a great distance from the mines?

Mr. BROOKS. You mean the placer mines? There are no coal mines in Alaska to speak of.

Mr. MONDELL. There are no operating coal mines?

Mr. BROOKS. There are a few small ones; about five.

The CHAIRMAN. We have a law, Mr. Brooks, requiring that where any Territory produces over 2,000 tons a year an inspector is to be appointed by the Department of the Interior to inspect the mines and look after their operation. We have an inspector of that kind in New Mexico, and another one in the Indian Territory. Is it not true that the product of Alaska never has risen high enough to go beyond the 2,000 tons, so as to have an inspector appointed in that Territory?

Mr. BROOKS. The product has been chiefly mined for local use, and there has been very little knowledge of the actual amount mined. For instance, the cannery company, here at Chignik, has been mining a little coal for its own use during the last fifteen years.

The CHAIRMAN. How do they get that coal; under what law?

Mr. BROOKS. I think they held that under a squatter's title for many years. I do not know whether they have patented their claim or not.

The CHAIRMAN. They have simply been taking coal off the public domain, have they not, without paying anybody anything for it, and without acquiring title. Is not that the situation?

Mr. BROOKS. Yes; such may be the case.

Mr. MONDELL. That is a rather inferior coal, is it not?

Mr. BROOKS. The Chignik coal is somewhat better than that in adjacent areas?

Mr. BURNETT. What is that; bituminous?

Mr. BROOKS. It is a subbituminous coal; that is, between the lignite and the bituminous.

On Cook Inlet, at a place called Tyonek, they have been mining coal in a small way. There is a small steamer that runs on Cook Inlet and when the captain runs short of coal he goes down there and picks it up on the beach, and he probably uses several hundred tons a year. That sort of thing has been carried on in a number of places in Alaska and there is no record of production.

Mr. VOLSTEAD. Have you any anthracite coal in Alaska?

Mr. BROOKS. There is some in the Controller Bay field and in the Matanuska field. The anthracite in the Matanuska field appears to be of very local occurrence.

Mr. MONDELL. So far as the anthracite so far discovered is concerned it is simply the result of local intrusions, is it not?

Mr. BROOKS. That is true, so far as we know, of the Matanuska field. It does not appear to be true of the Controller Bay field. There the anthracite seams appear to have considerable extent and it is probably due to close folding—that is, alterations accompanying close folding.

Mr. BURNETT. In the southeastern part there, what is the area? Is it considerable?

Mr. BROOKS. The area of coal, you mean?

Mr. BURNETT. Yes.

Mr. BROOKS. In here [indicating]—southeastern Alaska?

Mr. BURNETT. Yes.

Mr. BROOKS. There is no coal there to speak of. There is a little lignite, but it has not been found profitable for mining.

In regard to the number of coal mines, I think that in the past year there were probably five localities where some mining was going on, and where there was an actual production of coal. But on looking up the returns from the custom-house for 1905, I found that Alaska had exported 4 tons of coal and about 15 tons of gold in the same year, so that you can see that coal mining is not a very important industry there.

Mr. MONDELL. In speaking of the price of coal in various parts of Alaska you gave the retail price in each case, I presume?

Mr. BROOKS. The retail price; yes.

Mr. MONDELL. I suppose that the wholesale price of coal in southeastern Alaska, along the steamer routes, at Sitka, Juneau, Ketchikan, and those points, is not very much greater than it is along the Pacific coast farther south, is it?

Mr. BROOKS. There is no reason why it should be. Of course you have water transportation all the way from Seattle or from Vancouver Island.

Mr. MONDELL. The Vancouver coals could be delivered at Sitka and Juneau and Ketchikan and those points in southeastern Alaska, as far as transportation is concerned, from the Canadian mines at about what they could be delivered for at San Francisco and points farther south, could they not?

Mr. BROOKS. Yes.

Mr. MONDELL. And they probably are, in cargo lots?

Mr. BROOKS. I presume they are.

The CHAIRMAN. I made an inquiry at Nome last summer a year ago as to why they were importing coal from British Columbia instead of from Washington. They could take it from Washington without paying any duty, while they had to pay a duty in importing it from British Columbia. They told me that the coal from British Columbia was enough better so that they paid the duty and took it at a higher price. It was sufficiently preferred to justify that.

Mr. MONDELL. The duty being only 67 cents a ton?

The CHAIRMAN. Yes; it was sufficiently preferred that the bulk of their coal at that time was coming from British Columbia. I saw them unloading British ships there by lighters at the harbor of Nome.

Mr. BURNETT. Is there coal in the contiguous portion of British Columbia there, or is it some distance down, about Vancouver?

Mr. BROOKS. No; it is about three or four hundred miles south of the southern boundary of Alaska. There is known to be some coal on these islands here—the Queen Charlotte Islands—but we know very little about its quality. It has not been developed yet.

The CHAIRMAN. Is there anything else that you can tell us, Mr. Brooks, about the Alaskan coal?

Mr. MONDELL. The coal fields in the Canadian territory on the Pacific are very extensive, are they not?

Mr. BROOKS. Yes; I think they are, so far as they are known. They have only been developed. Coal has been mined at several places on Vancouver Island and at the Crows Nest Pass. I think those are the chief sources of the British Columbia coals.

The CHAIRMAN. I am speaking of the Vancouver Island coals. They have been mined quite extensively for a very great many years.

Mr. BROOKS. Yes; there is a great deal of coal there. I do not know what the area of their coal field is.

The CHAIRMAN. At Comax and Nanaimo?

Mr. BROOKS. Yes. I want to emphasize the importance of these lignitic coals to the placer miners of the interior. The timber up there is disappearing rather rapidly, and if they keep on cutting it and burning it up the way they have in the past five or six years it will not be very many years before they will be short of fuel, and then they will be forced to use these lignites. I think, therefore, though they are of low grade, that they are of great importance to the development of the placer mining industry.

The CHAIRMAN. A large amount of placer mining is done there by the thawing process?

Mr. BROOKS. Yes.

The CHAIRMAN. They have to thaw by steam?

Mr. BROOKS. Yes; they thaw by steam.

The CHAIRMAN. And they use their coal or wood for that purpose?

Mr. BROOKS. Coal or wood, or petroleum in some cases.

The CHAIRMAN. They are shipping in, over large portions of Alaska, coal oil from southern California?

Mr. BROOKS. Yes.

The CHAIRMAN. To thaw out their lands in order to do their mining, instead of using Alaska coal?

Mr. BROOKS. Yes. If they ran short of fuel in the Yukon or at Nome, it would reduce the gold production 20 or 30 per cent.

Mr. MONDELL. The chairman spoke of the very inferior character of the lignite coal that he saw along the Yukon. Is it true that some of these lignites along the Yukon are of comparatively high grade?

Mr. BROOKS. Yes; there is one mine here which borders on a bituminous. [See analyses at the close of the testimony.]

Mr. MONDELL. How about the coal in the vicinity of the mouth of the Tanana?

Mr. BROOKS. That is poor; it is a low-grade lignite.

Mr. MONDELL. That is very low grade?

Mr. BROOKS. Yes. Then, north of Rampart, on the Yukon River, there is a mine of low-grade lignite, which has been worked spasmodically for a number of years, and all the coals above Circle, as far as we know them, are rather low-grade lignite. The good coal is all on the lower Yukon River.

Mr. MONDELL. How about this field on the Cantwell?

Mr. BROOKS. It has not been opened up at all; but so far as we know it, it is a low-grade lignite.

Mr. MONDELL. Is that field on any of the contemplated lines between the Gulf of Alaska and the Yukon?

Mr. BROOKS. Yes; it lies on the route of the Alaska Central Railway, which runs through that coal field.

Mr. MONDELL. And the building of that line will probably develop that field?

Mr. BROOKS. Yes; for use in the interior of Alaska. Of course those lignites have no export value at all.

Mr. GRONNA. Mr. Brooks, speaking of the inferior quality of these coals, is it not true that they are all the time being improved? That

is, the formations of what are now poor coals are all the time getting better?

Mr. BROOKS. I think that this process is so slow that it will not affect the coals appreciably.

Mr. GRONNA. I understand that it is very slow.

Mr. BROOKS. I think the coal will all be used up long before it has been improved in quality.

Mr. GRONNA. That is the theory, then?

Mr. BROOKS. Yes.

Mr. MONDELL. But that is not true as regards those coals that, by erosion, have been deprived of their pressure?

Mr. BROOKS. No.

Mr. MONDELL. So there is nothing in the physical condition to improve the character of the coal.

The CHAIRMAN. In North Dakota the coal is getting worse every day; is it not? (Laughter.) I say that seriously. As a matter of fact, it is; is it not?

Mr. MONDELL. Yes.

The CHAIRMAN. And it is actually being burned up. The coal is on fire and is burning all over the Bad Lands country there. Is not that true?

Mr. BROOKS. I know it is true in parts of Alaska that the coals are burning up.

Areas of Alaska coal fields as far as known.

Bituminous and anthracite:	Square miles.	
Controller Bay.....	40	
Matanuska River.....	70	
Amalik.....	10	
Herendeen Bay.....	25	
Cape Lisburne.....	300	
Total.....	475=	304, 000
<hr/>		
Lignitic:		
Colville Basin.....	2, 000	
Kobuk Basin.....	340	
Total northern Alaska.....	2, 340=	1, 497, 600
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Seward Peninsula.....	4	
Norton Bay region.....	48	
Kuskokwim Bay region.....	624	
Total Bering Sea coastal region.....	676=	432, 640
<hr/>		
Yukon River.....	3, 464	
Cantwell River.....	384	
Koyukuk River.....	80	
Total Yukon Basin.....	3, 928=	2, 513, 920
<hr/>		
Unga.....	16	
Chignik.....	20	
Total Alaska Peninsula region.....	36=	23, 040

Lignitic—Continued:		Square miles.	Acres.
Kachemak Bay region		588	
Tyonok		60	
Sushitna and Knik Arm		40	
Total Cook Inlet region		688=	440, 320
Southeastern Alaska		43=	27, 520
Alaska:			
Total lignite		7, 711=	4, 935, 040
Total bituminous		475=	304, 000
Grand total		8, 186	5, 239, 040

Average composition and character of Alaska coals.

District and kind of coal.	Mois- ture.	Volatile matter.	Fixed carbon.	Ash.	Sul- phur.	Fuel ratio.
Bering River, anthracite, average of 7 analyses	7.88	6.15	78.23	7.74	1.30	12.86
Bering River, semibituminous coking coal, aver- age of 11 analyses	4.76	13.27	74.84	7.12	1.51	5.68
Matanuska River, anthracite, 1 sample	2.55	7.08	84.32	6.05	.57	11.90
Matanuska River, semibituminous and bituminous, average of 16 analyses	2.71	20.23	65.39	11.60	.57	3.23
Matanuska River, lower grade bituminous, aver- age of 4 analyses	6.56	35.43	49.44	8.23	.37	1.40
Cape Lisburne, semibituminous, average of 3 analyses	3.66	17.47	75.94	2.92	.96	4.46
Cape Lisburne, bituminous, average of 12 analyses ..	9.46	38.42	46.83	5.24	.38	1.21
Yukon River, bituminous, average of 9 analyses ..	4.69	32.05	55.89	6.97	.....	1.85
Yukon River, lignite, average of 9 analyses	11.89	41.11	40.82	6.20	.....	.89
Alaska Peninsula, bituminous, average of 5 analyses	2.34	38.68	49.75	9.22	1.07	1.30
Kachemak Bay, lignite, average of 6 analyses	19.85	40.48	30.99	8.68	.35	.77
Seward Peninsula, lignite, 1 sample	24.92	38.15	33.58	3.85	.68	.....
Southeastern Alaska, lignite, average of 5 analyses.	1.97	37.84	35.18	24.23	.57	1.02

Average composition of some Pacific coast coals.

District and kind of coal.	Mois- ture.	Volatile matter.	Fixed car- bon.	Ash.	Sul- phur.	Fuel ratio.	Remarks.
British Columbia, Crows Nest Pass, average of 10 analyses.	1.09	21.07	70.54	7.29	0.37	3.35	Coking and steam coal.
British Columbia, Nanaimo, av- erage of 6 analyses.	2.12	34.07	55.94	7.93	.64	1.64	Steam coal.
Washington, Roslyn, average of 9 analyses.	2.68	34.37	52.75	9.87	.24	1.53	Do.
Washington, Franklin, average of 5 analyses.	3.22	35.40	53.82	7.55	.15	1.52	Do.

Average composition of some eastern coals.

District and kind of coal.	Mois- ture.	Volatile matter.	Fixed carbon.	Ash.	Sul- phur.	Fuel ratio.	Remarks.
Pocahontas, W. Va., semibitumi- nous, average of 33 analyses.	0.73	17.43	77.71	4.63	0.62	4.46	Steam and cok- ing coal.
Connellsville, Pa., bituminous, average of 3 analyses.	1.07	32.70	60.28	5.95	.81	1.84	Coking coal.

Mr. MONDELL. In my State, if the Government really wishes to preserve a lot of that coal that has been withdrawn, it will have to send a force of men up there and put out the burning banks that are continually afire.

The CHAIRMAN. Gentlemen of the committee, Mr. Parker presents us this morning the table he promised us the other day, giving the estimate of the Geological Survey as to the coal area. The final footings are 480,458 square miles or 256,293,120 acres. That is their estimate of all the coal in the United States, whether in public or in private ownership.

(The table referred to will appear at the proper place in Mr. Parker's statement.)

The CHAIRMAN. Is there anyone else here to be heard from the Geological Bureau? If not, Colonel Ryan is here on behalf of some of the gentlemen seeking to obtain title to the coal mines in Alaska; and if there is no other gentleman here from the Geological Survey, we will hear Colonel Ryan next.

STATEMENT OF R. S. RYAN, ESQ.

Mr. BURNETT. What interests do you represent, Colonel?

Mr. RYAN. I came here for the last two years as delegate representing Alaska. I helped to shape this coal legislation that was brought up. I took a great interest in it on behalf of the people of Alaska. Personally, myself, I have no interest in the coal. I am interested in some of the railroad development in the coal country. During the past summer I spent most of my time through this country [indicating on the map], through southeastern Alaska and Prince William Sound, the Copper River, the Cook Inlet country, and over the proposed routes of the railroads that are now building and that are being promoted in that country.

The coal question is one of the burning issues in the country at present. At the mouth of the Copper River, as Mr. Brooks has told you, we have the Bering Lake or the Kayak and Controller Bay fields. The proposed route of the Copper River Railway, as was explained, will either start from Controller Bay, where there will be an artificial harbor, or from Orca or from Cordova, about 80 miles to the westward of this coal field. This coal is necessary for the development of the Copper River Valley. Without that coal being there I doubt very much if the projected railroad would be able to get any kind of assistance from financial men at present. The great copper deposits that lie in that country are worthy of being developed, and have attracted the attention of such people as the Guggenheims, of New York, and they have gone in there with the intention of putting in large smelters and bringing that copper down to the coal field, or as near as is practicable and feasible.

Mr. MONDELL. Do I understand you to say, Colonel, that no portion of the proposed line from Cordova Bay has been constructed so far?

Mr. RYAN. In the case of the line from Cordova Bay, as Mr. Brooks said, about 20 miles of it is under construction. I think they have completed about 7 miles of track laid.

Mr. MONDELL. How long would that line be to the coal field?

Mr. RYAN. In the neighborhood of about 80 miles.

Mr. MONDELL. And how difficult is its construction? Does it cross the range?

Mr. RYAN. Yes; it is very difficult construction. I dare say that the construction of these roads entering Alaska from Prince William

Sound is about as difficult as any railroad building we have had in the West, if not more so.

Mr. MONDELL. That particular line crosses the coast range, does it, or crosses a coast range?

Mr. RYAN. Yes; it skirts through; it breaks in and out through the coast range here, through the foothills of the coast range, going to the eastward, and then turns up the Copper River Valley. I should say it is work as heavy as any work that has been done on any of the roads in Colorado. This road here [indicating on map], the Alaska Central Road, involves much heavier work than I have seen generally in the West, barring, perhaps, what we built through the Grand Canyon in Colorado. There are 2 miles of road that cost over \$150,000 a mile.

Mr. MONDELL. For the grading?

Mr. RYAN. Yes; the grading alone. There are seven tunnels in the short space of 2 miles on the Alaska Central Road.

In regard to this Kayak field, as you are aware, I think that field was discovered along about 1899 or 1900. The prospectors went in there at that time. The oil fields lie in front of this coal deposit, down here in this white portion [indicating] of the map, on Controller Bay. There was a great deal of oil excitement up there at that time, which brought a great many prospectors and other people into the country. They went back in the mountains and discovered those coal fields. I believe that at that time they took up the coal lands, believing that the laws of the United States were the same in Alaska as they were in the States, and that it was competent for them to take up 320 acres.

Mr. MONDELL. An association of two persons?

Mr. RYAN. An association of persons. They located and surveyed their lands according to that law and under that impression. As you remember, gentlemen, you then passed an amendatory law giving them the right to make their own surveys, as Alaska had never been surveyed, and the surveys that they had made were of no value. You passed an amendatory act to the general coal-land laws, extending to Alaska the right to have men make surveys of their own on unsurveyed lands and enter them. They went ahead under that impression of the law. They came down to you last year, and they showed you, gentlemen, to your satisfaction, that the coal laws in Alaska were not sufficient, or at least they were not broad enough, to give them what they and what the other people thought was necessary; and you extended those laws in the bill you passed.

In the meantime those men, who had gone to work under the amendatory act, have now advertised and gone to patent and tendered their money to the land office in Juneau, and their money has been refused. Those men, after their three years of work up there, or five years in the case of some of them—because they had to resurvey—believe and feel that a fearful hardship has been worked on them. They feel that they have some rights coming to them and that this withdrawal and refusal to accept their money or to allow them to go any farther legally is not right. And I have a petition, signed, I think, by something like five hundred and odd names, which is in the hands of our Delegate, from those personal locators in there, setting forth those facts.

The CHAIRMAN. Right in that direction, Colonel, your Delegate has written a letter, and the governor has also written a letter, to the President, and the Delegate expresses himself as favorable to the change of the coal-land laws of Alaska to a leasing system. How far does that represent the wishes of your people, so far you know?

Mr. RYAN. Well, I am sure that it is a very delicate question for me to go—

The CHAIRMAN. I do not wish you to go contrary to Mr. Waskey, of course.

Mr. MONDELL. We would like to have your personal opinion, however.

Mr. RYAN. Mr. Waskey has never been in the coal fields. I have not given the leasing question in Alaska any great thought in particular. The idea of the leasing plan was, I suppose, to stop what you might call monopolization of the coal lands. How that could be done under the leasing system any more than it could be done under the present law, I do not know; I do not see. The coal locators depend upon these railroad companies for transportation. I can say fairly, and I can say honestly, that every man that has gone to Alaska has gone there to make money. He has not gone, as the chairman says, for his health. Those men who have made coal locations there, expect to make some very equitable arrangements with the railroads. The railroads that are there to-day do not own to my knowledge an acre of coal land. Under the present law, to be sure, or at least under the law that will govern, they could not own it. If they did they would have to divert it or sell it to some other corporation.

Mr. GRONNA. Right there, Colonel, as a matter of fact this land has not been patented, has it?

Mr. RYAN. No, sir.

Mr. GRONNA. None of it has been patented, and they could not own it?

Mr. RYAN. No; they could not sell it. Take this Copper River road. There have been five or six different routes proposed, different companies promoted, through that country. They have been before Congress and before the Territorial Committee asking for aid in some substantial form or other to build those roads. I understand that inside of the last three or four months some of those different interests have come together, and that, backed by the Guggenheim interests and financial interests in New York, they have decided to build a road up through this Copper River region to reach the large copper deposits that exist. These gentlemen in New York became largely interested during the past year by purchase.

Mr. MONDELL. Well, we ought not to let them get hold of those copper lands, ought we?

Mr. RYAN. Oh; you might lease them on the same plan as is proposed for the coal lands.

Mr. MONDELL. We ought to preserve them, ought we not?

Mr. GRONNA. Colonel, you say you have a petition signed by these locators?

Mr. RYAN. I know there were over 400 signers when I left.

Mr. GRONNA. Well, say 400 or 500. Now, who are these people, these locators? Are they living in that country?

Mr. RYAN. Not all of them. A great many of them are living in

the country, and a great many of them are scattered. A great many men went in there, discovered this coal, and then came out.

Mr. GRONNA. These coal lands, as I understand you, are taken by poor people, too?

Mr. RYAN. A good many of them are. A man can only legally take up one claim. A good many of these prospectors who went in there came from your State, some from Iowa, others from all over the States, and they wrote back to their friends that they had discovered large coal tracts, and they said: "If you want a good location up here, I will put you in on a location. It will cost you, maybe, \$1,500 or \$2,000 before you can go to patent, for the development and everything else necessary under the law." A good deal of the land has been taken up in that way. That is in accordance with the laws.

Mr. VOLSTEAD. How large a tract of land would be necessary for the purpose of opening up a mine and working it successfully?

Mr. RYAN. It depends; is a pretty hard thing to say, but I understand that to justify the expenditure necessary to put in a coal mine and equip it in proper order and everything else a person ought not to have less than 2,000 acres, and in some districts they ought to have a great deal more. You can not get capital to put in the necessary expenditure on a small area. As I say, a lot of these men came to me——

Mr. VOLSTEAD. If you could lease 2,000 or 3,000 acres from the Government on a long lease, would not that be better than the present law, under which you can only take a quarter section or a half section?

Mr. RYAN. Yes; I do not doubt that it would. Anything would be better than the present condition. It would depend, though, upon what terms the Government put into the lease. You know what capital is.

Mr. GRONNA. Is it not true, Colonel, that it would be absolutely necessary for these people with limited means to sell their holdings to those that had the requisite money, so that eventually all the coal lands would be in the hands of the people that had a good deal of money?

Mr. RYAN. That, Mr. Gronna, has always appealed to me as against the leasing proposition. If you lease the land, nobody can lease it except the railroads, or operators who are closely connected with them, and who know they are going to have the necessary transportation at a given rate. The operation of the lease under that plan will always be practically in unison with the operation of the transportation. In fact, it will be a wheel within a wheel.

Mr. VOLSTEAD. Will not that be true whether you own the land or not?

Mr. RYAN. Yes. Now, then, if you own it, as these men do, these men are willing to retain an interest in their claims and give an interest to the railroad company, or the transportation company, either under a royalty, under a lease, or as a part owner in the coal production.

Mr. VOLSTEAD. Would it not be just as well to let the Government be the party instead of some of those other fellows, if there is going to be a royalty paid?

Mr. RYAN. Well, it is a question then whether the Government would go in there and develop as these other men would.

Mr. VOLSTEAD. But I suppose these poor men you speak of, who would turn the land right over to the railway companies as against a royalty, would not put in any money for the purpose of developing the land?

Mr. RYAN. Well, as against the royalty, if you leased it, if the Government owned the land, if the Government had reserved all that land in Alaska, I dare say to-day there would not have been one-third or one-tenth of the development of that country that there is to-day.

Mr. VOLSTEAD. Suppose you had given anybody a right to go in there and take a lease of a tract large enough so that it could be worked?

Mr. RYAN. What good would a lease do a poor man?

Mr. VOLSTEAD. Well, what more good would a lease do a rich man?

Mr. RYAN. A rich man would have the money to put the transportation there, and he would figure out what he had to come into competition with.

Mr. MARTIN. Which, in your judgment, would better develop and conserve the coal of Alaska for its local use up there: A leasing system, by which adequate quantities could be leased in one interest, or a change in the law that would permit adequate quantities to be purchased and owned in single interests?

Mr. RYAN. I think the one that would put the coal in private interest. As a railroad man, and as a man interested in the railroad development of the country, I will say honestly that I think I should prefer to see it all leased, because I think we would then be in a position to control the entire fields.

Mr. SMITH. Do you mean with the railroads?

Mr. RYAN. Yes, sir.

Mr. BURNETT. After 1908 the railroads can not hold any coal lands.

Mr. RYAN. Well; to be sure, it would not ostensibly be the railroad company. There will be a railroad company and there will be a coal company, and they will have no connection with each other.

Mr. SMITH. But they will be on speaking terms with each other?

Mr. RYAN. Well, you can see yourselves, gentlemen—

Mr. VOLSTEAD. How would the Government control the coal company, let alone controlling the railroad company?

Mr. RYAN. Well, I do not know; that is a question.

Now, let us look at the Cook Inlet country. I have been all over this country recently and I have gone into the railroad question there. They have spent over four millions of money already in the construction of this line.

Mr. MONDELL. And how far have they gotten?

Mr. RYAN. They have gotten 50 miles of track down and they have about 70 miles of grading. It will take them about 185 miles to go to the coal fields. It will cost them in the neighborhood of \$10,000,000 to go to those fields. The development of those fields is at present the principal inducement to the organizers and financial backers of that road for business.

Mr. MONDELL. In other words, they expect to get their tonnage on which to pay for the building of their road and its operation, from the coal?

Mr. RYAN. Yes, sir; and the coal for operation.

Mr. GRONNA. The cost per mile of building roads in Alaska is, of course, very great?

Mr. RYAN. It is very great.

Mr. GRONNA. Can you give us any idea as to what it will cost per mile?

Mr. RYAN. They have made a very close examination of this question, and we expect that to get into those coal fields it will cost \$10,000 000. As I say, they have already laid 50 miles and over \$4,000,000 have been spent on it.

Mr. GRONNA. And the distance is how great?

Mr. RYAN. The distance is 185 miles.

Mr. SMITH. You think that will cost ten millions?

Mr. RYAN. \$10,000,000.

After you get over this coast range and divide I dare say you can build in there for \$35,000 a mile. I have heard gentlemen down here before the committee talking about \$20,000 a mile. As you gentlemen from the West know, with the present cost of material and labor there are very few railroads, even our prairie roads, that have been turned out for \$20,000 a mile.

Mr. MONDELL. Your estimate is, approximately, \$50,000 a mile for that railroad building?

Mr. RYAN. I say from \$35,000 to \$40,000 a mile.

Speaking for the coal locators, I will put their case before you. They are asking for some redress, if it is possible to get it. You gentlemen passed last year a bill giving them the right to take up a larger acreage, and practically extending the laws of the United States to Alaska. When that bill went to the Senate it was referred to the Interior Department; and Mr. Hitchcock himself wrote a letter to the Senate Committee indorsing the bill, and stating that it was necessary in the interest of the development of the country, and in the interest of the locator, and recommending the passage of the bill as it passed the House.

Mr. GRONNA. That was the bill providing for two sections?

Mr. RYAN. Yes, sir.

Mr. GRONNA. It was claimed by the committeemen from Alaska that it was absolutely necessary to have four sections.

Mr. SMITH. They finally consented to its being reduced to two before it left the committee, did they not?

Mr. MONDELL. Rather than not get the relief, they agreed to take the smaller amount.

Mr. RYAN. Yes. The consensus of opinion has been among all coal men, and men who have examined the fields from a business standpoint, and everybody else, that not less than 2,500 acres would warrant the expenditure necessary to open up a mine.

Mr. SMITH. By "expenditure" do you mean the railroad phase of it, or merely the plant for mining the coal?

Mr. RYAN. The plant for mining the coal. To be sure, you can open what you might call a mine by just digging into the side of a hill; but I mean equipping a mine for a large tonnage, and preparing to keep it going for a large number of years.

You passed a bill authorizing the taking up of 1,280 acres, and it went to the Senate. These men went ahead—

The CHAIRMAN. The Senate has reported that bill favorably, and it is on the calendar; is it not?

Mr. RYAN. Yes, sir; it passed the Senate, and then Mr. Spooner moved to reconsider it.

The CHAIRMAN. And it is pending now on a motion to reconsider, after the bill has passed the Senate?

Mr. RYAN. Yes; after it had passed the Senate. I believe it is now pending. To be sure, in view of the proposed policy of the President, it would be rather awkward to send a bill of that kind to him just now.

Mr. BURNETT. Do I understand that there have been 500 of these preliminary entries held up by this Executive order?

Mr. RYAN. Yes, sir.

Mr. MARTIN. It would seem, Colonel, that whatever may be the future policy regarding the public coal lands, either to continue the present system of sale or adopt the leasing system, in either event relief ought to be granted to bona fide entries or applications for entry up to the present time.

Mr. RYAN. The best jurists in the United States have advised on the question to the effect that there is no legislation or anything else to deprive these men of their initiatory rights and their right to get patent for that ground, provided they had taken it up and complied with the law, and it is a bona fide proposition. But these men feel, at the same time, that they are held up.

Mr. MONDELL. This is simply a case where there is no law under which the man can be put in jail, but he is in jail.

Mr. RYAN. He is in jail; yes, sir.

The withdrawal of all the lands at present and the disturbed, or at least the unknown, condition for the future has acted in a detrimental way on all this development that has been promoted during the past year. Even the men who have gone into those schemes of building these railway lines here in the Copper River country, continuing the Alaska Central road, and all that are in a very disturbed state to know what is going to be the future legislation. If they could get a fair answer from the Department that something was going to be done in the immediate future, it would relieve them and relieve their financial backers. Money is not very easy to get for railroad building in Alaska. It is very hard and very difficult.

A great many of the bonds for projects have been sold under 70, which of course makes a large charge on the future carrying charges of those roads; and this proposition of the withdrawal of the lands when we are trying to secure the necessary financial help to finish the already projected lines in London and Paris, as well as New York, leaves the impression on those foreign capitalists that they do not understand the question. You can hardly explain it to them. As Mr. Mondell says, you say the man can not go to jail, but he is in jail; and they hold up their hands in holy horror, and they are willing to throw their securities overboard and say, "Well, that is more legislation from the American standpoint; it is just simply robbing us. I thought this was so and so, and I thought that was so and so." So you can see the effect it has. We are not getting much money in our own country for those great projects.

Mr. GRONNA. Colonel, I understand that you are personally acquainted with this country. You have lived there and been there?

Mr. RYAN. Yes, sir. I have been there eight years.

Mr. GRONNA. Has there been a great deal of money expended on these coal locations, from your observation?

Mr. RYAN. There has. I dare say that in some places a great deal more money has been expended than was necessary under the law for patent. There have been tunnels driven to demonstrate values, etc.

Mr. GRONNA. That was in certain localities?

Mr. RYAN. Yes; that was in certain localities, to define positively the quality and the extent of the values.

Mr. GRONNA. I mean, have the necessary improvements been made generally on these 500 locations?

Mr. RYAN. I believe so; sufficient in law. If there are not, they should not get patents. If they went to patent without doing what was necessary they should not get a patent.

Mr. GRONNA. It would be canceled?

Mr. RYAN. Yes.

Mr. VOLSTEAD. If a lease was made, for how many years would it have to be made in order to be fair?

Mr. RYAN. That is a hard question. Of course the longer the lease the better position the railroad companies would be in before they commenced to build.

Mr. VOLSTEAD. Would you say fifty or a hundred years, or what would you figure on?

Mr. RYAN. Fifty years, I dare say, would be satisfactory to almost any railroad company.

Mr. BURNETT. I want to understand a little further about the suspension of these preliminary entries. Is that based on the idea that the Government, after taking these men's money and allowing them to go in there, without any mal fides on the part of the entrymen, can go on then and force them to make leases? Is that the idea of the suspension?

Mr. RYAN. That I do not know. That is why these men have come here. I have come on their behalf, down to you, to try to see if we could not find out and if I could not send them some knowledge.

Mr. MARTIN. I presume the probability is that this particular class of entries was not specially in view when this broad order was made. It is only one of the contingencies of making a general order; it will be just in some cases and unjust in some cases.

Mr. BURNETT. I think the order ought to be modified. I can not see any reason why men who have already paid their money, unless there is mal fides, should be deprived of this land. Of course, if there is mal fides, that would be a ground for canceling the entry.

Mr. MARTIN. Yes; it seems to me rather unusual that in a suspension of that kind there should not be a general exception as to bona fide claims upon which applications may be pending, or about to be made, to perfect them.

Mr. BURNETT. If it were the case of an individual and an option had been taken and a party put in possession and he tendered the balance, a court of equity would not hesitate to enforce the specific

performance, because it is honest and right. Now, are the Government and the Executive and the Secretary of the Interior going to establish one rule of honesty and fair dealing when the courts of the country have established another one? I did not understand until this investigation that this suspension extended to these preliminary entries, I am sure.

Mr. MONDELL. I will say, Mr. Burnett, that in almost all cases heretofore where suspensions have been made of public lands the suspensions have excepted from their operation all lands covered with claims initiated prior to the order.

Mr. BURNETT. Why, I should think so.

Mr. MONDELL. If not all claims initiated on the ground, at least all claims of record. Now, there were in the entire United States last year 2,340 coal declaratory statements made of record. Those coal declaratory statements simply give the parties making them a preference right for one year within which to make entry, and under the law if within the year they come forward and make their final payment they are entitled to their patents.

Mr. BURNETT. Yes.

Mr. MONDELL. This suspension has done two things. First, it has prevented them from going on and developing and opening their mines, and unless, after the suspension is modified or withdrawn, the Department further modifies the law, they will have lost their preference right, which under the law expires at the end of fourteen months.

Mr. MARTIN. It would seem that the inequitable features of this order as applied to this class of cases could be very readily and very promptly remedied by simply a modification which it is in the power of the Secretary of the Interior to make of the order, so as to except from it all cases of bona fides where parties had before the order proceeded to acquire public lands under the coal-land law, and that must be the inevitable result ultimately, because Congress will not legislate to deprive those parties of their rights.

Mr. BURNETT. Never.

The CHAIRMAN. In each of the three bills I introduced on that subject, to which I called the attention of the committee at the last meeting, there was a clause that the change in the law shall not interfere with carrying out the entries that have been made heretofore in good faith under the existing laws, and this order, it seems to me, ought to be modified to that extent.

But instead of being modified to that extent, the order has been modified to the extent that no claims excepting the fraudulent ones can be considered hereafter. There are 64,000,000 acres of coal land. None of them can lawfully be entered except as coal land. An order was made withdrawing that land from all kinds of entries. The President modified that order withdrawing it, leaving it open to all kinds of entry except coal-land entries. He withdrew it from that kind of entry, which is the only kind that could lawfully be made, but left it so that the allotting of the coal lands under the homestead and desert-land and all other kinds of entries could still go on, notwithstanding this order. The land was simply withdrawn as to that class of entries.

Mr. MARTIN. So far as this committee up to date has acquired information from the testimony before it, the fraudulent acquisition of

coal lands has not been by the misapplication of the coal-land-law, but by the use of other laws to take coal lands. Is not that true?

The CHAIRMAN. It has probably been by both, but mainly by the other laws, which are not interfered with in this order.

Mr. MONDELL. You understand, Mr. Chairman, that the modification of the order was made on the ground of the fact, known to all who had anything to do with those orders, that a great portion of the lands withdrawn were not, as a matter of fact, coal lands.

The CHAIRMAN. I presume that was the thought of the order.

Mr. GRONNA. They were agricultural lands.

The CHAIRMAN. The land is open to all other kinds of entry if it could be worked out through existing law.

Mr. MONDELL. Oh, yes.

Mr. RYAN. Now, those men, Mr. Chairman and gentlemen, thought they could get relief in some way from this committee—through Congress—if they can not get it from the Department; that if the Department will not concede it to us individually it will concede to this committee that the rights of those people have got to be protected and have got to be protected under law.

Mr. MONDELL. Mr. Ryan, have any of the entrymen in that field contemplated testing their right to enter by mandamus proceedings?

Mr. RYAN. I will tell you, Mr. Mondell. They tendered their money in December. They had complied with the law up to the tendering of the money, and they tendered their money. When the first withdrawal order was made the register and receiver of the land office at Juneau naturally did not understand that it had any reference to those who had present rights under locations.

Mr. MONDELL. As a matter of fact, the first order, of July, did not specify that it included lands already filed on, and the registers and receivers everywhere assumed that it did not. But subsequently an order was issued notifying all registers and receivers that that order affected all coal lands, without regard to their condition.

Mr. RYAN. That was it. I saw the register and receiver in August, I think it was, on my way down through Juneau.

Mr. MARTIN. What effort has been made by parties interested to obtain a modification of the order from the Interior Department so as to protect the rights of bona fide applicants?

Mr. GRONNA. Do you mean as to the coal entries, Mr. Martin?

Mr. MARTIN. Yes.

Mr. RYAN. They knew Congress was going to meet here, and they wanted to see what action Congress would take.

Mr. MONDELL. But, Mr. Ryan, this is not a question for Congress. Congress has acted. Congress has said that the coal lands of the country shall be sold under certain laws. These people have proceeded under those laws. The Executive Departments have suspended the laws.

Mr. RYAN. Yes.

Mr. MONDELL. Have you taken the matter up with the Executive Departments?

Mr. RYAN. The Executive Departments will not give you any answer. They are very evasive. They say, "The matter is at present under consideration."

Mr. MONDELL. Have you or those interested there taken up with the President the matter of the Alaska situation?

Mr. RYAN. We did not take it up individually. Some of the Congressmen did take it up with the President.

Mr. BURNETT. Have you, Mr. Mondell, called the attention either of the President or the Secretary of the Interior to the inequity of holding up these men who have made their preliminary filings?

Mr. MONDELL. I will say that when this first order was issued, on the 26th of July, I drew up and forwarded to the Secretary of the Interior and to the President a protest against the issuance of the order, setting forth the fact that, in my opinion, it was contrary to law and without authority, and asking that a review be made of the decision on which those withdrawals were made, calling attention to the fact that not only did the order prevent the taking of coal lands under the law as it existed, but that it also prevented the men who had gone forward in good faith and in accordance with the law, and who were prepared to make their final payments, from perfecting their entries. I stated that it had the effect of retarding and preventing development; that in addition to that, the lands withdrawn were not, as a matter of fact, all coal lands; that to my personal knowledge very great areas of those lands contained no coal at all, having been continuously prospected for many years, and I asked under what authority of law the order had been made.

Mr. MCCARTHY. What did they say in response to that? What authority did they cite you?

Mr. MONDELL. In response to that I was simply notified that my letter had been received and was under consideration, and that the lands withdrawn were of a list of lands sent to the Department by the Geological Survey as lands which they believed contained workable views of coal. The question of authority was entirely evaded.

Mr. VOLSTEAD. I suppose they furnished you with a brief later on as to whether they had violated the law or not?

Mr. MONDELL. No; that was on the Indian withdrawals. I do not believe they had any brief on the question of coal lands. At all events, I do not recall it.

Recently, within a few days after I arrived here at the opening of Congress, I saw the President in regard to the matter and reiterated modestly my views as to the lack of authority on the part of the Executive to do these things—to suspend not only the coal-land law, but all of the land laws of the United States over a territory a little over twice as large as the State of New York.

Mr. GRONNA. Of course it is evident, Mr. Mondell, that the President took action just as soon as he found out what he said in that circular—that he did not intend that these agricultural lands should be withdrawn. In the circular he makes that very plain, and that there are over a million acres on which proof can be made and filings can be made.

Mr. MONDELL. I also called his attention to the fact that this withdrawal, if it had any justification, could, it seemed to me, only apply to coal lands upon which no claim had been initiated, but that it did, as a matter of fact, apply to all coal lands, including those upon which large expenditures had been made and where men were preparing to mine, and this in the face of a very great coal shortage in the western country, and a very great necessity for further development.

Mr. GRONNA. You mean mines that are being operated?

Mr. MONDELL. Mines that people are preparing to open on lands where they have made their preliminary declarations, and which they are preparing to pay for and open.

I also called his attention to the fact that a large portion of these lands were not, as a matter of fact, coal lands, so that the order, based on a recommendation for a change of the coal-land law, as a matter of fact repealed all land laws over an enormous area. And after that matter was fully understood by the President he said it was not the intent to suspend other laws than the coal-land laws, and the order was modified on the 17th of December.

Mr. GRONNA. There are several of us, of course, that called attention to the fact that agricultural lands were being held up; that proof could not be made on account of that order.

Mr. ROBINSON. Where is the authority in law for such an order by the Executive? I want to know about that.

Mr. GRONNA. Well, I am not a lawyer, but I believe the President had a perfect right to issue an order to prevent the taking of all these valuable coal lands until such time as Congress could make a law to prevent all these lands from going into the hands of a few speculators.

Mr. BURNETT. But as to a man that had made a preliminary filing? That is what I am interested in.

Mr. MONDELL. As to all of them I have searched the laws and the decisions very carefully and I can find no law and no decision that authorizes a withdrawal of lands with a view of preventing their disposition in accordance with law. Now, there is in the Secretary of the Interior possibly a limited right to make a temporary withdrawal of limited areas to prevent the lands so withdrawn from being alienated contrary to the law of the land.

Mr. VOLSTEAD. I think it goes a great deal farther than that, Mr. Mondell.

Mr. MONDELL. Let us see whether it does or not. But it does not and it can not go, under our system of government, to authority to withdraw lands to prevent their being disposed of in accordance with the laws of the land. Otherwise that power could be exercised to the repeal of every land law on the statute books as regards every acre of the public domain.

The CHAIRMAN. Do you contend that the President could not issue an order suspending the homestead law and forbidding that any more homestead settlements should be made in the United States until Congress should take action? Do you think he does not have that power?

Mr. MONDELL. I should not want to believe that he had that power.

Mr. ROBINSON. If he has that power, where did he get it? That is what I want to know. I want instruction on that point. If he has the power to suspend any statute, where did he get the power?

Mr. MONDELL. The Supreme Court has held this, Mr. Robinson—I do not remember the exact language—it has held that the Secretary of the Interior when he is satisfied that in a given locality there is immediate danger of land being alienated contrary to law—that is, for instance, if there was a limited area somewhere where the President believed that coal lands were being taken up under the homestead law and he feared he could not get his agents into the field and have examinations made before the homestead entrymen

presented their proofs, and therefore that the only way to prevent the alienation contrary to law was to temporarily withdraw—that he had the power to do that.

But this is not a withdrawal to prevent the entry of the lands contrary to law. It is a withdrawal to prevent the entry of lands in accordance with law.

Now, if the Secretary of the Interior has the right to suspend over a single acre of the public domain the operation of any law in accordance with the view of Congress—expressed, crystallized into statute, signed by the President—then he has the right to suspend every land law over all of the public domain. That is the opinion of a layman.

Mr. ROBINSON. I can understand how an executive officer can have and does have and ought to have authority to issue any order that would tend to restrain violations of the law or that would tend to the enforcement of the law, but I can not understand how an Executive can suspend a law regularly passed by any authority competent to pass it. If he can, the executive authority in that sense makes the law. He thereby makes it.

Mr. MONDELL. To illustrate, Mr. Robinson: We passed a law last summer in regard to some lands on the Shoshone Indian Reservation in Wyoming, purchased from the Indians under a solemn treaty, under which we agreed to sell them in a certain way, for certain sums, at a certain time, and to pay the money to the Indians. The Congress passed the law; the President of the United States, Theodore Roosevelt, signed it. It had the sanction of the Congress and of the President. It gave the time and the place and the manner of the disposition of those lands. This order withdrew one township of those lands from all forms of entry, filing, and selection, in spite of the fact that we had entered into a solemn treaty with the Indians to sell them in a certain way, at a certain time, and at a certain price. We had invited entrymen from the ends of the earth to come and make a filing and to participate in a drawing, and upon that drawing, under that law, to draw those lands—if they were coal, to take them under the coal-land law; if they were agricultural, to take them under the agricultural law.

Mr. MARTIN. Of course, that law pertaining to the opening of that reservation was upon no higher plane in the law than any other upon the statute books.

Mr. MONDELL. No; I only used that as an illustration.

Mr. MARTIN. The only difference was that there was a specific piece of legislation referring to a specific part of the country, whereas the general law refers to all parts of the country to which it may apply.

Mr. GRONNA. Mr. Robinson takes the correct position. He says he believes the Executive has the right to suspend the law when he also believes that a fraud is being perpetrated.

Mr. MARTIN. I think Brother Robinson will demur to that interpretation.

Mr. ROBINSON. Oh, no; I think the Executive has nothing whatever to do with the policy of the law; that it is his duty to enforce the law, and he has the right to issue an order that will tend to the enforcement of existing law, but not to make or unmake laws.

Mr. MONDELL. That is the distinction; that is the distinction. He can do anything that will tend to the enforcement of the law; but this is an order to prevent the execution of the law.

Mr. ROBINSON. Or he can prevent a violation of the law.

The CHAIRMAN. Gentlemen, we are getting into a discussion in the committee which we had perhaps better have in executive session. This is all going into the record, you know. Of course, it is an interesting discussion, but I think the committee should thrash it out in executive session.

Mr. BURNETT. The reason I interpolated this is that I wanted to find out just what status all these preliminary entries were in, because that is where, I think, a wrong is being done.

The CHAIRMAN. Colonel Ryan, I think, can give us the status of these entries.

Mr. SMITH. I want to ask one question, unless you want to go on further on the status of those entries; I will not interrupt that.

The CHAIRMAN. Mr. Burnett wanted to put another question.

Mr. BURNETT. I simply wanted to ask these gentlemen if they have called to the attention of the Executive and the Secretary of the Interior the injustice of suspending the execution of an act of Congress?

The CHAIRMAN. Now, Colonel, you may proceed with the matter of the hearing again.

Mr. RYAN. I think you appreciate the position that those locators are in. Some of them have been there for five years and they are ready to go to entry or patent, and they have been refused the right to do so.

So far as the general withdrawal of the land laws is concerned, or, at least, the coal laws, from Alaska, it has put a bar upon the development of the country. As you can appreciate, Alaska is looking toward capital for the building of her transportation lines. She has to get capital in there; and capital wants to know what the tonnage of the road is going to be, and what is in there for business for the roads when they are built. The copper of the Copper River Valley is one of the great resources of the country. I dare say the copper in there would be of very much less value if it were not for the coal at the mouth of the river at Kayak. The withdrawal of the order affects that; it leaves it dormant.

Mr. MONDELL. What would be your idea, Mr. Ryan, of the advisability of changing our mineral law so that an entryman may not take and own an unlimited area of mineral land, but to provide that the title to all mineral land shall remain in the Government, and have the copper leased?

Mr. RYAN. That might be a very good idea, but I am afraid it would put the poor man out of business. The prospector would be a thing of the past.

Mr. SMITH. And therefore the gold mine would be a thing of the past?

Mr. RYAN. Yes; the gold mine and the prospector. If a man came down and told a company that he thought there was good ground up there, he would be hired, I suppose, for so much money to go up there and look it all over, and they would say: "If it is good, you come and report to us, and if we confirm your report, we will go up

and lease it," and the man would get only his wages, and the prospector would become a thing of the past.

Mr. MARTIN. Under the present system, the pioneer who goes ahead and discovers the mineral of the country does occasionally receive some compensation for it. I think, under the other suggestion he probably never would, and therefore probably he would not prospect.

Mr. RYAN. Oh, yes; we have any number of men who owe their fortunes to what they took out of the ground themselves.

The CHAIRMAN. They pay a royalty for mineral lands in British America, do they not, and that does not prevent the development there?

Mr. MARTIN. I think it does.

Mr. RYAN. Do you mean under a leasing system?

The CHAIRMAN. I mean that when a man discovers the mineral he pays a percentage to the government.

Mr. RYAN. Yes; he gets a Crown grant, and he pays a percentage, which is really a tax. Now, it is a question, to be sure——

Mr. MONDELL. That is not exactly a lease, is it? He does get title to the land?

Mr. RYAN. He gets title, Mr. Mondell.

Mr. MONDELL. He simply pays in the form of a——

Mr. RYAN. A royalty.

Mr. MONDELL. And that is the way his property is taxed.

Mr. BURNETT. Is that lease unlimited as to time?

Mr. RYAN. Yes; it is unlimited as to time until he abandons the claim. He can go before the gold commissioner at any time and abandon the claim, and go out and take a new one.

Mr. MARTIN. I think the superiority of our American mineral statutes over those of Canada is in large measure responsible for the fact that intermountain western America has developed about half a century ahead of the Canadian Pacific country.

Mr. RYAN. Yes; and it is the prospector that has done it.

Mr. MARTIN. Yes, sir; he has been the forerunner by many years of railroads and of all other forms of pioneering.

Mr. RYAN. I think Mr. Brooks will tell you, and he has covered a great deal more of the interior of this country and given these propositions perhaps closer attention than I have, that if it had not been for the prospector and his bacon and beans, there would be very little of the country to-day in the developed condition that it is in.

Mr. ROBINSON. Mr. Ryan, did you state a while ago that you believed that the adoption of the leasing system would tend to the further monopolization of the coal lands?

Mr. RYAN. I do, sir; I do most assuredly.

Mr. ROBINSON. Now, why? What facts lead you to that conclusion?

Mr. RYAN. In the first place, it does away with the prospector.

Mr. SMITH. Are you speaking of mines generally, or coal mines?

Mr. ROBINSON. I mean with reference to coal mines.

Mr. SMITH. Let us confine ourselves to coal.

Mr. RYAN. The prospector goes in there with the object of getting something. He goes in there with the object, if he discovers coal, of taking up a coal claim, of developing it and, if possible, if he is

fortunate enough to have the money, of going to patent, or getting somebody interested with him who, for half of the claim, will put up the necessary money to go to patent; and he believes then that he has a pretty good thing.

He does not stop to think that the coal value, lying where it is, is not a gold value, but it is a value that is going to be controlled by transportation. But at the same time he goes in there and he gets his coal claim and he opens it up.

Mr. VOLSTEAD. What would there be to prevent him from going in there and then claiming a lease?

Mr. RYAN. The lease, you see, would not be the same. There would not be the same incentive to him in the lease that there would be in the ownership. He can sell the ownership.

Mr. VOLSTEAD. Suppose you give him, under the lease, practical ownership, subject to certain restrictions?

Mr. RYAN. Subject to sale?

Mr. VOLSTEAD. Well, subject to sale; supposing you give it subject to sale, provided you restrict it so far as placing it in the hands of large companies is concerned—that is, so as not to have one interest amass too much land?

Mr. RYAN. It depends, then, upon what the restrictions are that make the value of the lease. You might put such restrictions on it that you would destroy any value.

Mr. VOLSTEAD. Yes, that is true; but there is not any occasion to assume that.

Mr. RYAN. Now, assume that you have made no restrictions of that kind and you have made a lease. The man leases it himself. He has got, first, to go and look to see where the railroad is that is going to come in there under his lease.

Mr. VOLSTEAD. Has he not go to do that if he owns it just as well?

Mr. RYAN. Ah, but when he owns it——

Mr. SMITH. He can hold it?

Mr. RYAN. He can hold it if he can not make equitable arrangements with the railroad, if he can not make equitable arrangements to sell his ground to a company. As has been stated here by Mr. Parker, a great deal of the Pennsylvania lands are leased; these leases were found to be under certain royalties to the operating companies, and in some places the operating company was a railroad.

Mr. VOLSTEAD. They succeeded in working it there all right?

Mr. RYAN. They succeeded in working it; certainly, it was the transportation company that worked it. Now, down in Virginia, as I understand, some of the farmers lease on a royalty.

Mr. MONDELL. But that is a lease as between individuals.

Mr. RYAN. That is a lease between individuals, and they give them all the rights and everything else that they want before they go in there to take out the coal.

Mr. SMITH. I would like to ask you what system of disposal of the coal in Alaska you would recommend?

Mr. RYAN. The present system; while I have not given its operation in the United States any great study, Alaska depends to-day on the prospector. It depends on the man that goes up there and takes his life in his hands and takes a chance. I do not know how many thousands and thousands of dollars will have been spent by men, or

how many men's lives sacrificed for the discovery of the coal and other minerals in Alaska twenty-five years from now.

Mr. SMITH. The element of speculation lies at the foundation of all mineral discovery, does it not?

Mr. RYAN. Yes, sir.

Mr. ROBINSON. Now, Mr. Ryan, is it not a fact, or is it a fact—and I ask for information—that the action of the Government, through the Geological Survey, has done more to locate the coal fields of Alaska than any other one source of investigation? Have not those coal fields marked on that map there, which you have been speaking about, been located principally or largely through the action of the Geological Survey?

The CHAIRMAN. Mr. Robinson, do you mean to ask whether they have been discovered by the Geological Survey?

Mr. ROBINSON. No; I do not mean discovered. I mean located and their area defined.

Mr. RYAN. Oh, yes—their area defined; yes.

Mr. SMITH. But I do not understand that the Survey claims that their area has been defined with any particular certainty.

Mr. ROBINSON. Oh, no; not definitely defined.

Mr. MONDELL. Is it not a fact, Mr. Ryan, that all the discoveries of coal in Alaska were made by individuals?

Mr. RYAN. By the prospector; yes, sir.

Mr. MONDELL. And that after the discoveries were made and openings had been made the Survey came and made this examination?

Mr. RYAN. Yes, sir. Mr. Brooks will answer that.

Mr. SMITH. I would like to know what his view of it is.

Mr. BROOKS. I think we will have to credit the prospector with the discovery of many of the coal fields, as we have in the case of the gold. Of course our men have, in a great many cases, been able to extend the areas of knowledge of coal fields, and some coal fields have been discovered by the Geological Survey.

Mr. SMITH. Theoretically or actually?

Mr. BROOKS. Actually—that is, I do not mean the workable coals, now, because, of course, we can not determine in our work whether the coals are workable or not, as we do no excavating. Take this area here as an example. This coal in here has been known probably since 1896.

The CHAIRMAN. That is the Matanuska field?

Mr. BROOKS. Yes; that is the Matanuska field. Attention was first called to it several years ago, and the area was presumed to be something like that [indicating]. Now, our men during the past season have found that the area is something more like this, as it is represented on the map—that is, that the coal-bearing rocks cover a much larger area, and that that is the limit within which the new discoveries of coal will probably take place.

Mr. MONDELL. But the question as to the workable character of the vein at any point, and the uniformity of the vein, and its freedom from fault must be, always has been, and always will be determined by the prospector and operator?

Mr. BROOKS. I should say that, so far as coal was concerned, it was determined entirely by the operator—that is, until you open up your coal seam you can not tell what the character of it is. After a coal field has been opened up, then the men from our Bureau can get

information as to the probable character of other coals in that field, and extend the work in that way. But the prospector himself knows no more about that than anybody else does. He simply knows that there is coal there, and he has no advantage whatever over our geologist in determining that particular fact as to whether the coal is or is not there.

Mr. MONDELL. Except that he then takes up the vein, which your men do not do, and drives his entries?

Mr. BROOKS. If he does that, of course we have the same information that he has.

Mr. ROBINSON. Your men could do that if authorized by law to do it?

Mr. BROOKS. Oh, of course.

Mr. ROBINSON. You could do that quite as successfully as any prospector or operator, could you not?

Mr. BROOKS. I suppose we could do that, of course, if it was within our province. Of course it would be an entirely different thing from what we are now doing.

Mr. SMITH. Are the field men in your Department instructed to explore the country in search of new coal locations?

Mr. BROOKS. That takes place in this way: We send a party out with instructions to survey a certain field. Last year a party was sent to Cook Inlet and covered about 7,000 square miles. Now, they are told to determine as far as they can within a given time what there is in that region that is of commercial value.

Mr. SMITH. Do you send them into any field where coal has not theretofore been discovered?

Mr. BROOKS. Yes; we have done that, for we have done a great deal of exploratory work. Now, here is a coal field in point.

Mr. ROBINSON. Name it, please.

Mr. BROOKS. That is in the Colville basin and on the Anaktuvuk River. That coal field we know very little about, but as far as we know anything about it, it is entirely due to the work of the Geological Survey. Of course we do not know that there are commercial coals there, but we do know that there are coals. The Cape Lisburne fields were known only along the coast until our men went up there and found that the same conditions pertain some distance inland.

Mr. SMITH. The question, then, is, Should the Government pay for this exploration or should it leave it to the speculative inclination of the prospectors?

Mr. RYAN. Let us look at this Lisburne coal in the Arctic. In 1900 the first of that coal was brought down to Nome for commercial purposes. There was a company organized, I think, in 1900, called the Corwin Coal Company, and they brought down some. I think they brought down 100 and odd tons to Nome. I burned it that winter in my house, for heating purposes, in the stoves. We considered that about 2 tons of that coal was equal to 1 ton of the Washington coal; and a ton and a half of the Washington coal equals about 1 ton of the British Columbia or Vancouver coal. That is about the ratio at which we held the coals in Nome. We figured it out while we were using them and paying our money for them in Nome during those early days.

They have abandoned the mine, I believe. They tried to make something out of it; but there is at present none of that coal being brought down to Nome or used.

This field here at Bering, about 18 miles from Bering, I believe—is it not?

Mr. BROOKS. About 20.

Mr. RYAN. About 20, this one here—that coal has been used considerably in the thawing on the Imlachuck River and the Kugruk. There has been a good deal of mining and thawing done there in the winter time, and they have used that coal. Last year there was a good deal of outside coal delivered at Bering—that is, in Kotzebue Sound—and it is selling there now, I believe, for about \$30 a ton. That is the British Columbia coal. Now, they consider that 1 ton of the British Columbia coal went as far in thawing as about 2 tons of the local coal.

Mr. ROBINSON. Where do they get their coal supply; from the production, or from import?

Mr. RYAN. Oh, from import altogether. That is the trouble. Down here in Juneau there is one company that uses about 60,000 tons of coal a year—the Treadwell Mining Company. They use between sixty and seventy thousand tons. They use over 5,000 tons a month, I believe, and they use British Columbia coal nearly altogether.

Mr. BURNETT. What do they use so much for?

Mr. RYAN. For their reduction works—their mills.

Mr. SMITH. Stamp mills?

Mr. RYAN. Yes; stamp mills. Now, Alaska has coal enough in sight with value enough to make it one of the great resources of the Territory. Already the values of these coals have been investigated so far that they have been brought to the knowledge not only of our Navy, but of the navies of the Orient; and we have had very frequent inquiries from our Japanese friends as to the opening of those mines and the value of the coal and about what price the coal could be laid down for at tide water.

Mr. MONDELL. What did you say the comparative value as a fuel of the Controller Bay coal was as compared with the Anaimo and Komax coals?

Mr. RYAN. I could not say that. I am not speaking as an expert now, Mr. Mondell; I speak as a layman.

Mr. MONDELL. Well, can you give a general idea?

Mr. RYAN. I could not say. Mr. Brooks can probably tell you; because the Controller Bay coal has never yet been used commercially, except locally around Catalla. None of the Controller Bay coal has been shipped out at all, nor has there been any steam test of any extent; nor, for that matter, has any of the Matanuska coal been brought out.

Mr. MONDELL. Is it the general understanding that it is of about the same value and quality as the Canadian coast coals?

Mr. RYAN. Oh, I believe we have coal up in the Kayak and Matanuska field, as I understand it, that compares with the Poca-hontas coal, as far as steaming value is concerned, and use in war ships, and for high-class service.

Mr. MONDELL. I would like to ask Mr. Brooks that question.

Mr. BROOKS. I will say in regard to that that the Controller Bay coal is far superior to any coal west of the Rocky Mountains and any that is mined on the Pacific seaboard, either on the eastern coast or the westerly Pacific. It compares favorably with the Pocahontas coal of the east—a bituminous coal. Of course the anthracite is a better grade still. It is far better than the British Columbia coal.

The CHAIRMAN. Colonel, have you anything further?

Mr. RYAN. I do not think there is anything further, gentlemen, unless there are some questions.

The CHAIRMAN. I do not think we have anything, unless Mr. Gebo desires to say something. Mr. Gebo has made a statement which he may desire to have sent by mail to all the members. Some of you have received it, I have no doubt.

Mr. MONDELL. At some time during these hearings I would like to hear from Mr. Gebo. Mr. Gebo is a practical coal miner and operator of very long experience.

Mr. SMITH. Is he present?

Mr. MONDELL. That is the gentleman, there. I would like to have him given an opportunity to be heard at some length by the committee at some time.

Mr. SMITH. I should like very much to hear him. I have read, briefly, his circular.

The CHAIRMAN. We have his circular, but I do not know whether he has anything to add to that or not.

Mr. GEBO. Nothing more, unless there are some questions asked as to whether the circular is right, and on the prospects in the future of relieving the situation out in that country. I do not think anybody understands the condition that exists in that country as far as the fuel shortage is concerned, except the man that lives out there. I do not think other people have looked into it enough to know. The population is increasing all the time, and the lands are not producing as much coal as they were some years ago.

Mr. MONDELL. Mr. Gebo, I think the committee would probably like to ask you some questions along the line of the practical working of coal operations and your experience, but it might take some little time, and I would like to know, Mr. Chairman, before we take up Mr. Gebo, whether the committee cares to remain in session at this time.

Mr. GEBO. I can come before the committee at any time.

Mr. MARTIN. Are you going to be in the city a number of days, so that you could come here at some other time?

Mr. GEBO. At any time.

The CHAIRMAN. We expect to have the Secretary of the Interior here next Wednesday. Mr. Gebo might follow the Secretary.

Mr. MONDELL. Would that be satisfactory to Mr. Gebo?

Mr. GEBO. Any day is satisfactory to me.

Mr. MONDELL. Mr. Gebo is going to be here for some little time, so he might follow the Secretary.

(After an informal discussion as to the time of further sessions the committee adjourned to meet on Monday, January 14, 1907, at 10.30 o'clock a. m.)

COAL LANDS AND COAL-LAND LAWS OF THE UNITED STATES.

COMMITTEE ON THE PUBLIC LANDS,
HOUSE OF REPRESENTATIVES,
Washington, D. C., Monday, January 14, 1907.

The committee met at 10.30 o'clock a. m.

Present: Representatives Lacey (chairman), Mondell, Martin, Volstead, McCarthy, Smith, Gronna, Burnett, Gaines, and Robinson.

Present, also: R. S. Ryan, esq.; Samuel W. Gebo, esq.; A. H. Brooks, esq., and others.

FURTHER STATEMENT OF R. S. RYAN, ESQ.

The CHAIRMAN. Colonel Ryan, were you through with your statement on Saturday?

Mr. RYAN. Yes, Mr. Chairman; I think so, unless there are other questions to be asked.

The CHAIRMAN. I would like to make this suggestion to you, Colonel, before you get through, so as to get your views about it. The Interior Department is considering the propriety of a further modification of the order in relation to coal lands, substantially to this effect: The language has not been agreed on, but the thought has been enunciated and substantially, I think, agreed on, to the effect that the order of withdrawal shall not apply to any rights instituted under declaratories, or by tender of entry, or any other method that is recognized as valid under the existing law, where those rights have accrued prior to the issuance and publication of the President's order. Would that meet the difficulties in Alaska, in the main?

Mr. RYAN. Why, yes; that will meet the grievance that the present locators are laboring under, you see; but, Mr. Chairman and gentlemen of the committee, it will not meet the question of the development of Alaska.

The CHAIRMAN. That matter is pending now in the Senate on the bill that we passed; that has gone through both Houses, and is pending on a motion for a reconsideration.

Mr. RYAN. A motion to reconsider—yes.

The CHAIRMAN. If this order should be made it would put you in an attitude of asking consideration of the Senate on the motion to reconsider.

Mr. RYAN. Yes; unless we could get the President to approve the bill.

The CHAIRMAN. Another thing I tried to find out in the Department was as to approximately how many claims there are under

declaratories or entries or instituted in any way recognized by the law in Alaska.

Mr. MONDELL. Two hundred and eighty-five, Mr. Chairman, in the Juneau district; and that is the only district that is in operation in Alaska.

The CHAIRMAN. They could not answer me, but they said they thought they would be able to do it.

Mr. MONDELL. They have it right here in their report.

The CHAIRMAN. But that is not up to date.

Mr. MONDELL. It was up to the time this report was made and there can not be many more than that, because they expire in twelve months. Of course, there are a few more than that; and this was for the year which ended at the time when the first order was issued, so that there could not be a very great many more of record. There might have been some others initiated and not of record; but that is the number that were made of record during the year.

The CHAIRMAN. They said they would have those figures for us day after to-morrow.

Mr. MONDELL. But you have, I assume, in Alaska, some people who are holding coal land by right of possession on unsurveyed land?

Mr. RYAN. Yes; yes.

Mr. MONDELL. Of course, they have made no filings, as they can not until the land is surveyed?

The CHAIRMAN. No. Have you an approximate idea of the number of them?

Mr. RYAN. Oh, yes.

The CHAIRMAN. They are included in the 400 you speak of?

Mr. MONDELL. Some of them.

Mr. RYAN. Yes; I figured out that between four and five hundred locations have been made altogether, as well as I could tell.

The CHAIRMAN. There would probably be many that would assert their rights under this modified order?

Mr. RYAN. Yes.

The CHAIRMAN. Could they ever afford to pay the \$10 an acre?

Mr. RYAN. A great many of those were waiting for the action of Congress on your bill in order to survey. You see, if they were allowed to survey in larger quantities than 160 acres—that is, for patent, as your bill called for—they would proceed under the larger acreage. So I dare say those are not in the Land Office, Mr. Mondell, at present, are they?

Mr. MONDELL. No; they could not be.

Mr. RYAN. That is right, then.

Mr. MONDELL. They would be held under settlement rights?

Mr. RYAN. Yes.

Mr. MONDELL. Which is recognized by the law.

Mr. RYAN. Then there are a good many more that are awaiting the outcome of the legislation that you passed, you see, in order to survey.

Mr. MONDELL. In Alaska, in order to get the relief you need, you perhaps require further modification of the coal order than we would need in most of the States. In most of the States great relief would result if it released the entries of record.

Mr. RYAN. Yes.

Mr. MONDELL. But it might not save all your cases there.

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The CHAIRMAN. In going over the matter with Mr. Garfield and the Acting Commissioner of the Land Office this morning, I drew what I thought was broad enough to protect these inchoate rights that had been instituted or commenced in good faith on the unsurveyed lands, both in Alaska and elsewhere, and they were trying to put it in shape. The purpose of Mr. Garfield was to recommend to the President and the Commissioner, or to recommend through the Commissioner to the President, a modification of this order so as to put all these men just in the same place who had filed in good faith before they issued that order.

Mr. MONDELL. Another thing ought to be done in the issuance of that order, Mr. Chairman, and it will not be done unless somebody suggests it to them. There ought to be a provision—it would be the law, unquestionably, but you can not tell what the Department might hold—that time shall not have run on these entries during the period of suspension. You are likely to have people who, if this order were modified now, instantan, would be left in a bad condition, because they would not be ready to make their final entries.

Mr. RYAN. No.

Mr. MONDELL. Here is a suspension that has existed for six months, and at the moment the suspension was made the average man threw up his hands and said: "Why, I am out of it until something is done." Now, if the suspension is relieved, and the Department holds that time has run on the filings during the suspension, a lot of those men are not going to be able to make their entries.

Mr. RYAN. Yes; particularly on account of the climatic conditions in Alaska.

The CHAIRMAN. They do not know about this up there to a very great extent yet, do they?

Mr. RYAN. They know about the withdrawal.

Mr. MONDELL. About the withdrawal?

Mr. RYAN. Oh, yes; they know that.

Mr. MONDELL. I had a letter from Alaska about it within six or seven days.

The CHAIRMAN. But it has stimulated those that did know it to greater activity; they have not lost any time.

Mr. RYAN. Well, they have not done anything, you see.

Mr. MONDELL. They have in a great many places lost time.

Mr. RYAN. They have just simply stopped.

Mr. MONDELL. For instance, a man might be down in the States when the time expires, and if the Department just cuts him out—

Mr. VOLSTEAD. I think they ought to have the additional time.

Mr. MONDELL. The Department ought to hold, and probably will hold—that is the way they always have held heretofore—that time does not run during a suspension.

Mr. BURNETT. Why, surely that is true. The law everywhere is that if an injunction undertakes to hold up a thing the statute of limitations does not run during the suspension by that injunction.

The CHAIRMAN. What was the date of that order? It was issued in July, was it not?

Mr. MONDELL. The first order was dated July 26; but that was not the last order.

Mr. RYAN. I only have this to say, Mr. Chairman and gentlemen, that I hope that you and the committee will see the difference

that exists between Alaska and the United States proper, so far as the position and the development of Alaska are concerned. We ask only for something that will allow the development of Alaska to go on as rapidly as it was going on. We believe that the only way to do it is through the prospector, and that means, of course, the old system. Let him go out, and if he is able to discover coal let him take up his location.

I believe that if you gentlemen will give the matter your consideration you will see yourselves that that is true, so far as Alaska is concerned, up to the present time. But any leasing proposition, or anything like that, I am afraid would be very detrimental and would hinder the development of the country, through hindering the prospectors going out to discover anything. If there was an alternative ready in the way of leasing to offer Alaska at once and put it into operation in place of the old régime, it would perhaps be worth giving it a trial.

But in the case of a young country like that, with every thing in its infancy, and considering the small areas of coal that have already been taken up out of the tremendous area of country, it seems to me you are warranted in recommending that Alaska be not included in this legislation or any detrimental legislation that would hold up the development of the country. I think you will all appreciate that.

There are only some thirty-five or forty thousand, at the outside, of us in Alaska, spread over nearly 600,000 square miles, and I think that from the evidence and everything else you can see yourselves, from the amount of entries, that there have not been any "corporate monopolies" attempting, up to the present time, to go into Alaska and control the coal lands. And there is a gentleman here whom I dare say you will hear—I have just been speaking to him about it; I never had the pleasure of meeting him before—who is very well versed on this coal question. He investigated, on behalf of himself and some large capitalists, some of the coal propositions in Alaska, and he passed them up completely. His capital would not touch them on account of the climatic conditions and the surrounding conditions of the coal. So I think that all the evidence will tend to show you that you will have to depend on the prospector in Alaska for a good many days to come.

STATEMENT OF SAMUEL W. GEBO, ESQ.

The CHAIRMAN. Now, Mr. Gebo, we will hear from you. What is your full name?

Mr. GEBO. Samuel W. Gebo.

Mr. MONDELL. Mr. Gebo, do you desire to have the statement made in the pamphlet that you sent to members of the committee inserted in the record as a sort of foundation for your oral statement?

Mr. GEBO. I have no objection at all, Mr. Mondell.

Mr. MONDELL. I did not know but what you would like to have that done.

Mr. GEBO. I have no objection. It is for the committee to say, because I have stated nothing there but what I would like to have everybody know.

(By direction of the committee, the printed statement of Mr. Gebo,

heretofore sent to members of the committee, is made a part of this hearing, and is as follows:)

To the Senators and Representatives in Congress from North Dakota, South Dakota, Nebraska, Wyoming, Montana, Utah, Idaho, Oregon, and Washington.

[The production of coal by and for these States is to-day 25 per cent less than the normal consumption. Next winter it will be 40 per cent less.]

GENTLEMEN: I am a miner of thirty-one years' experience. After five years of mining in Illinois, Indiana, Alabama, Ohio, and Pennsylvania, I went to North Dakota twenty-six years ago and worked in the first coal mine opened in that State. One year later I worked in the only coal mine then discovered in Montana, and the year following in the southern Wyoming coal fields, when the entire field produced only 400 tons per day. Then I worked in Washington, and in 1889 in Montana again. Since then I have been opening and operating coal mines in Montana, Wyoming, and Alberta, Canada.

Suppose it is because of this long experience that I have been asked to discuss the present coal situation in the nine States of North and South Dakota, Nebraska, Montana, Wyoming, Idaho, Utah, Oregon, and Washington.

That a coal famine exists throughout that country is conceded. When communities appeal to the governor of the State to call out the militia to assist in bringing in coal trains; when many schoolhouses are closed in several different States; when orphan asylums are unable to obtain coal, and the people go to the mountains searching for wood with which to keep the children warm; when the gas plant of a great city like Helena, Mont., shuts down for lack of fuel; when people are forced to burn fences and outbuildings; when farmers are forced to bring their families into towns and herd them in public buildings to keep warm, as evidenced by numberless telegrams pouring into the State capitals and into Washington from all parts of that country, the evidence is overwhelming.

I estimate that the full winter production of coal in these nine States is 25 per cent less than the normal consumption, and I prophesy that the shortage next winter will be 40 per cent.

The cause of this shortage of coal is that there are not enough coal mines open, and the mines now open are not sufficiently developed to furnish the necessary output.

The eastern people do not understand this fact: That nearly all the coal in that country is lignite, much of it very inferior quality, which, when exposed to the weather, goes to slack and will fire by spontaneous combustion if placed in piles or sheds. Only a limited percentage of the output will stand storage. As a necessary result the mines are pushed to the utmost production throughout the winter and are constantly behind in their orders because their output must be marketed as fast as produced.

Then, again, they can not push the work of development in their mines during the summer months because the coal thus extracted would not keep, and therefore the work of development would be a total loss, an expense which no mine could stand. It results from this that the mines are forced to do their development work in the winter, which necessarily hinders their output.

Of course there are exceptions, but so few that such mines are unable to furnish coal for storage. For instance, several of the Butte coal agents, Messrs. Hammer, Lane, and the Northwestern Fuel Company, built large sheds last year with a view to storing several thousand tons of Rock Spring coal during the summer months, and during the entire summer they were unable to secure one single car, as the entire output of that field was consumed from day to day, and they were unable to fill orders for storage.

It is claimed by some that the shortage of coal is caused by a shortage of cars. I positively know to the contrary. Within the last two months I personally examined into that question in the coal mining districts at Sheridan, Wyo., and Red Lodge and Bear Creek, Mont., and found an ample supply of cars and the mines working to their full capacity. One company showed me on their books orders for 1,600 cars more than they could fill. They had an ample supply of cars in the yards, but could not fill them. It is therefore a question of supply, not of cars.

As an official expression in regard to the suffering in the Northwest for the lack of a sufficient fuel supply, President Elliott, of the Northern Pacific Railway Company, says:

"There is a scarcity of fuel in some parts of the country served by our line. * * * The company realized in June and July last that the fuel supply was likely to be inadequate, and that the great increase in general business would probably produce a congestion in the autumn. We therefore urged all dealers at that time to look ahead and provide a stock of coal early and to try to find new sources of supply.

"Extraordinary delays in moving is incorrect, so far as this company is concerned. The difficulty in Montana, Idaho, and Washington is that not enough coal is being produced to supply promptly the increased domestic trade and at the same time furnish the railroad with fuel for the operation of its trains."

Here is the whole business in a nutshell. The Northwest is developing enormously in business, in population, in every line of expansion, while the coal production remains stationary.

FEW MINES ARE BEING OPENED.

This is because of the inability to secure the necessary capital. Several times in the last ten years I have made trips to Omaha, Chicago, and New York, trying to interest capital in opening and developing new mines in Montana and Wyoming. I have always been answered that they could not see how it could be a good investment to pay \$10 and \$20 an acre for Government land to mine "lignite" coal in a sparsely settled country and with limited railroad facilities, when good "bituminous" coal lands could be bought from private individuals in Southern and Middle States at prices often much lower, and in a country well supplied with railroads and surrounded with markets. Witness the following advertisement clipped from the latest number of the Coal Trade Journal:

"Western Kentucky coal lands for sale at \$20 an acre. Land is underlaid with four veins yielding 22,000 tons per acre. It is on the Ohio River and traversed by two railroads. Ideal mining conditions; good rail markets; water transportation to Mississippi River points and the Panama Canal. Western Kentucky Development Company, Morganfield, Ky."

Who would not prefer investing money in purchasing and improving coal lands at \$20 an acre lying on the Ohio River, yielding 22,000 tons of bituminous coal per acre, instead of coal land in the far West with perhaps only 5,000 tons of lignite coal per acre?

'It has been said that the railroads own most of the producing coal mines in that country. It is true that the older railroad companies were compelled to open mines or they would not have been able to get coal to run their trains. To-day the public is crying to the railroads to turn this coal over to them and thus relieve the stringency, but the railroads must use the coal to operate their trains. If it were not for the development of coal mines by the railroads many parts of that country would be uninhabitable, because it has been almost impossible to secure outside capital for opening individual mines for the mining of lignite coal. In many localities, however, the mines are neither owned nor controlled by the railroads, and several of the railroads traversing that region have no interest in the mines along their lines.

The serious question to consider is the immediate future of the coal production in these nine States. I repeat that next winter the actual production will fall short 40 per cent of the normal consumption.

It must be remembered that two great Indian reservations, which have not a stick of timber, have been opened to the public and will be settled upon next summer. What are these people going to do for coal when the present inhabitants can not be supplied?

The St. Paul Railroad is now building across these States, and in a year or so will be needing several thousand tons of coal per day for use as motive power, to say nothing of the new towns and settlements growing up along its tracks.

The Western Pacific Railroad is nearing completion and will need a large amount of coal per day, besides the needs of the increased population settling along its lines.

The Burlington is just completing a new line 140 miles in length in Wyoming besides other extensions.

The Northern Pacific and the Great Northern are building extensions. The Northwestern and the Union Pacific are both building extensions. These new extensions aggregate many thousands of miles, and these railroads will, there-

fore, require a proportionate increased amount of coal for daily consumption without which they can not operate their trains.

What are they all going to do next winter for coal? The coal lands have been withdrawn from entry and no new coal mines are being opened up.

Governor Brooks, of Wyoming, in an interview published December 21, says: "Every sensible man knows that the quicker all our lands get into private ownership the better it will be for both Wyoming and the nation. To-day in this State where 1 acre now in private ownership has been stolen from the Government 100 acres have been honestly acquired, and for 50 per cent of this the Government received more than its real value at time of sale. During the past ten years the Government has sold to private parties less than 20,000 acres of coal land in Wyoming, while in the past few months the Government has taken over 16,000,000 acres of coal land. If 20,000 acres of coal land was sufficient for ten years, then 16,000,000 acres would have lasted eight thousand years. Think of it! And the people cry for coal, schools are closed for lack of fuel, industry is paralyzed, and manufacturing development is checked by high prices and a coal famine, competition is stifled and monopoly assured.

"Stop rebates, railroad discrimination and favoritism, and surely with 16,000,000 acres of coal land everybody can own a mine if they want it."

The eastern people and the Government do not seem to understand that it needs a company with large capital to open and develop a producing coal mine. It costs as a minimum about \$500,000 to develop a mine and install the necessary machinery, with houses and accommodations for miners, so that the mine can produce, say, 2,000 tons of coal per day. Nor do the eastern people or the Government realize that it takes twelve months to really commence the development of a great coal mine, and that it takes from two to five years to get it to a production of from 2,000 to 3,000 tons per day, when everything is favorable. It requires a year to open any considerable room underground for getting out the coal. It takes two months in that western country to get up plans for electrical machinery. No electrical or machinery company will take an order for the manufacture of machinery required for a mine and agree to turn it out in less than five months. Then it requires thirty days for transportation, and three months more to install it. Here are eleven months more gone before there can be practical results.

I personally opened three of the large mines in that country, and it took from eighteen months to three years to equip them. Therefore, I repeat, the situation is most serious, and the Government should busy itself with this question: How the coal supply for that great section of the United States can be increased 40 per cent before next winter sets in. I do not hesitate to say it is impossible; but immediate and prompt action can forestall and avert much of the suffering and loss that must be experienced throughout that country next winter.

HOW CAN THE PRODUCTION OF COAL BE STIMULATED?

Pardon my presumption in suggesting that—

First. All coal lands should be restored to entry.

Second. Allow purchases of Government coal lands on five years' credit, conditioned upon coal mines being immediately opened thereon.

Third. Allow the purchase by an individual or a corporation of enough land to justify the erection of \$500,000 coal plants.

Fourth. Subsidize such plants by the Government loaning them one-half the cost of the plant, such loans to become first liens and repayable out of the first net earnings.

I ask: How can new coal mines be opened on Government lands unless a company can secure enough coal land to justify the erection and operation of a plant large enough to produce from 2,000 to 5,000 tons per day? Remember it is only by large production that there can be economical production, and thereby cheap coal to the public.

As the President has most justly observed, the existing coal-land law is obsolete and absurd. Where can capital be found to open a \$500,000 coal plant on 320 acres? No men with business judgment would erect a \$500,000 plant unless they felt certain of controlling enough coal land to operate that plant for twenty-five to fifty years.

Enacted in 1873, when the great coal deposits of the far West were unknown, the law was framed to correspond with the small enterprises of that day. To open a \$10,000 coal mine, producing 50 to 100 tons per day, was then a great

enterprise, and 160 or 320 acres was considered sufficient territory for such a plant. The immense coal plants of to-day, with electrical machinery, were unknown, undreamed of.

Then, too, the coal land of that western country at \$10 and \$20 per acre is too high.

I see Mr. Pedrick, a prominent Colorado miner, comments as follows:

"The price of Government coal is now and always has been too high to encourage development by individuals. Five years ago 240,000 acres of coal land on the Maxwell land grant in Colorado was sold to the Colorado Fuel and Iron Company for \$3 an acre, with fifty years to pay for it in. At the same time United States Government coal lands immediately adjoining were and still are held at \$20 an acre, with no sale and with railroads surrounding and penetrating both tracts of land.

The St. Louis, Rocky Mountain and Pacific Railroad last year acquired from the Maxwell Land Grant Company in New Mexico a vast area of coal lands on similar or better terms. The Amsterdammers who owned and sold these lands had learned the lesson that money invested in unproductive coal lands was not good at earning interest. At present Government price for remote coal lands the poor operator can not open a drift and supply his neighbors with coal, as he can in remote districts of the Southern States, where coal lands can yet be bought for \$3 per acre away from thickly populated centers and railroads, as we are in the West. That Government coal lands are too high was Senator Ed. Wolcott's view. While in the Senate he introduced a bill reducing the price to \$2.50 per acre, which was then more in keeping with the prices of remote mountain coal lands in eastern Kentucky, Tennessee, and Alabama.

"My poor judgment is that the interior office, having during many years been conversant with the methods of acquiring coal lands not strictly within the law and having countenanced it without any attempt at contests, is not in good standing at this late day for discountenancing such methods. I am ignorant of the reasons of the Interior Office for its withdrawal of coal lands opened for entry and sale by the Revised Statutes of the United States. The damage already done is immense. Associations of coal miners are at a standstill. No citizen of the United States can now open a coal vein on public land for fear of the future; meanwhile, the corporations now operating are increasing their profit, knowing this order from the Secretary of the Interior shuts off all competition in coal mining in the great West."

Few people understand the risks in opening and operating coal mines. Let me illustrate: At Bridger, Mont., they expended over \$500,000, and yet the production from that mine does not exceed 200 tons per day.

The Anaconda Copper Mining Company, ten years ago, expended \$430,000 at Carbon, Mont., and afterwards found that there was not sufficient coal to warrant mining. The same company four years ago opened a coal mine at Coke-dale, Mont., building coke ovens and equipment for mining coal, spending \$500,000 or more, yet last year they took up their machinery, not finding coal in paying quantities.

I personally opened the mines at Gebo, Mont. That company expended over \$300,000 and have been mining for ten years, yet only produce about 150 tons per day.

All the big mines in Montana and some of them in Wyoming have a less tonnage to-day than they had five years ago. Statistics show that Wyoming has only doubled its production in eleven years, while Montana produced less coal in 1905 than it did in 1895. The Cambria, Wyo., mines, which had an output five or six years ago of over 2,000 tons per day, are now down to about 900 or 1,000 tons per day, owing to the field immediately adjacent the opening being worked out.

The Sand Coulee mine in Montana, which had an output of 3,000 tons per day, was worked out and machinery removed four years ago.

Therefore it requires courage as well as money to open a big coal mine in that Far West, where both wages and living expenses are so high.

Therefore the production of coal in these far Western States should be fostered, aided, stimulated.

It must be remembered that Nebraska, South Dakota, North Dakota (east of the Missouri River), and Idaho have no coal, and are almost wholly dependent upon Wyoming, Montana, and Utah for their coal supply, while Minnesota and Wisconsin have no coal, and therefore must be supplied from the Southeast.

As Governor Brooks of Wyoming says, there is coal enough in that western country when the great deposits shall be reached by railroads and rendered available to supply the entire demand for thousands of years to come. Therefore, why shall we allow people to freeze next year in order to hoard up coal for the generations which will occupy that country thousands of years hence?

Very respectfully,

SAMUEL W. GEBO.

Mr. GEBO. My object in being here before the committee, gentlemen, is to call attention to the fact that work is stopped down in our country absolutely as far as prospecting or any development work being done is concerned. Take it in Montana and Wyoming, where I was for twenty-five years and over, there are a great many places where they have spent from two to three years' work, three or four months in the summer time, and up to a thousand, and in some places four or five thousand, dollars on coal prospects, and the land has only recently been withdrawn.

The country is developing very rapidly, and a great many settlers are coming in. Yet the mines are producing less to-day in a good many places in the State of Montana and in Washington and those States than they were five years ago. Wyoming has practically doubled her output. It has only been about two and a half million tons in ten years, however, and it is practically the only State that has increased its output, and there is such a shortage of coal out there that the people are suffering.

A great many people think that because they see that sort of statement in the newspapers that it is "newspaper talk," but they are actually suffering in that country. At Twin Bridges, Mont., where there is an orphan home, they first let their little electric light plant go out for about three weeks, and then they were out of coal, and the farmers went to the mountains and got timber, wood, to keep them going. So that you see that there is not coal enough to supply the demands of the country.

Mr. SMITH. Let me ask a question right there. Has that condition prevailed in other winters of recent years?

Mr. GEBO. Last winter was the first.

Mr. SMITH. Do you think that the condition that arose then and that now prevails was due to the increase in population and other consumption?

Mr. GEBO. Oh, yes; absolutely. For instance, now, take the smelters of Butte that are using pretty nearly 200,000 tons of coal a month all told. I do not think it is more than thirteen years ago that they were not burning a pound of coal. They burned wood exclusively up to that time. I do not think it is over that. It might be fourteen, but before that time they had not used any coal. In the case of the railroads, in one division where two years ago the 1st of last October there were sixteen crews—that is, out at Sheridan, Wyo.—on the 1st of October last there were forty-one crews. So that you see how much the country is developing, and yet outside of Wyoming the mines are producing no more coal than they were.

During the last five years the principal States out there—Utah, Wyoming, Montana, Oregon, Washington, and those States, and New Mexico—have only increased their output 2,800,000 tons, and in the same length of time, gentlemen, the State of Illinois increased her tonnage 14,600,000 tons.

Mr. SMITH. That is within what time?

Mr. GEBO. In five years' time.

Mr. SMITH. And to what uses is the coal devoted in those Western States? To transportation or to mining?

Mr. GEBO. It is devoted to transportation and for domestic use and for what we use in smelting and the like.

Mr. SMITH. How much has the consumption of coal in connection with mining or manufacturing increased?

Mr. GEBO. How much has it increased in that time? I should judge that it has increased 500 per cent in five years—more, too.

Mr. SMITH. Do you know what the consumption now is for those purposes?

Mr. GEBO. No; I do not know exactly. The entire nine States that I speak of mined last year (that is, according to the last statistics, those of 1905) 13,487,000 tons.

Mr. SMITH. Have you the figures for any previous years?

Mr. GEBO. Five years ago they mined 10,000,000 tons of coal—10,600,000 tons.

Mr. SMITH. Have you any other figures there?

Mr. GEBO. And the extent of the increase in those five years is only 2,800,000 tons. I have not here with me, but I can get and leave here, if you wish, all the statistics for ten years back.

Mr. SMITH. Yes; I think it would be well to have that put in the record, Mr. Chairman, if we might have it in that way.

Mr. GEBO. But the tonnage was so small ten years ago that it is hardly worth while to make it a matter of record, because there were so few people in that country at that time.

Mr. MONDELL. Mr. Gebo, you say that in the same number of years in which the States which depend for their coal supply on the coal within the public lands—

Mr. GEBO. There are nine States that depend on that supply.

Mr. MONDELL (continuing). And which are the States that now contain coal on the public lands, have increased their output less than 3,000,000 tons, in the same period the single State of Illinois, where coal lands are in private ownership, has increased her tonnage 14,000,000 tons. Is that your statement?

Mr. GEBO. The State of Illinois has increased its output 14,174,000 tons in five years and our nine States have increased their tonnage 2,800,000 tons.

Mr. SMITH. Have you any figures as to what has used up that increased tonnage in the West? Is it transportation or mining or domestic consumption?

Mr. GEBO. The transportation companies have increased some, but the domestic and manufacturing uses have increased more.

Mr. SMITH. Have you any figures showing the relative increase of those three lines of consumption?

Mr. GEBO. No. I would judge that the increase for domestic and private manufacturing has been about two-thirds of the output—just about two-thirds. The balance has been used for transportation.

Mr. SMITH. That would depend upon the growth of population?

Mr. GEBO. The growth of population, yes; which is increasing very rapidly out there.

There were two Indian reservations—one in Montana and one in Wyoming—opened up last summer, where the settlers have got to come in. They made their drawings and everything. They have had

their time extended until the 15th of May, now, I believe, in which to go on their land. They have got to be on their land next summer, and I do not know where those people are going to get their coal from unless something is done to relieve that situation out there, because we are too far away to get coal from any other source except from that section of the country.

Mr. SMITH. Let me ask you a question on that point: Do you know of any workable deposits of coal within the reach of private lines of transportation that are not being developed and worked?

Mr. GEBO. Oh, lots of them; yes. Take all that territory that you see there in the Big Horn Basin; there has a road been built in there within the last year—it is marked on the map with a circle around it—and I want to say, gentlemen, that I have walked on the crop and prospected it myself for about 180 miles in one direction and about 90 miles at the northwest end at one place and 120 miles in the other.

Mr. SMITH. Why is not that worked?

Mr. GEBO. For the reason that you can not get capital in that country to develop those coal properties.

Mr. GAINES. What State is that in?

Mr. GEBO. That is the States of Wyoming and Montana; I speak of both of them.

Mr. MONDELL. Mr. Gebo, the difficulty in the case of the field that you mention, which is the field running from Thermopolis to Meeteetse and then around to Cody, as I understand you—

Mr. GEBO. Yes, sir.

Mr. MONDELL (continuing). Is that up to this time there has been no railroad transportation into that field?

Mr. GEBO. There has been no transportation.

Mr. MONDELL. Until within the last few months?

Mr. GEBO. Up to a year ago—that is, they built 140 miles that they have just got completed now, and they are still 35 miles away from the field, but they have started to grade on that 35 miles now.

Mr. SMITH. When transportation reaches it is there any reason why private capital will not take up the work of developing the coal?

Mr. GEBO. Yes, there is; for the reason that they can not take up enough area to justify the outlay that you have got to put on a mine now in order to mine coal systematically.

Mr. SMITH. They have heretofore been able to get enough, have they?

Mr. GEBO. Well, yes; it has been so in certain sections of the country; but now the laws are so rigid and are enforced so that you can not do that any more. It has been so that parties could go and take up 320 acres, a company of two, an association of two, and their friends could get quite a body in that way.

Mr. SMITH. That law still prevails, does it not?

Mr. GEBO. No; there is no law that prevails now.

Mr. ROBINSON. It is suspended.

Mr. GEBO. Yes.

Mr. SMITH. But the law still prevails?

Mr. GEBO. Well, that we do not know. We have been stopped, anyhow.

Mr. SMITH. What they are figuring on, I suppose, is what line the legislation will take.

Mr. GEBO. Well, that is what I supposed. I believe there is coal enough up in that country, gentleman, to supply the United States for a thousand years. I candidly believe that in those five States out there, cutting out everything else, there is coal enough to supply the United States for the time I mention.

Mr. MARTIN. What has been the chief obstacle to the development of that vast deposit of coal?

Mr. GEBO. The first obstacle that we have met is that up until the last two years we have been unable to get capital to come in there and pay \$10 and \$20 an acre for coal lands when they could buy it here in the East for less money, and a better quality of coal. We could not make capital understand that we had a future for our country out there. I have worked on this thing for the last fourteen years, and have tried to get capital interested, and I could not. I did get a lot of capital interested up in Canada, up in the Northwest Territory, where we expended \$1,200,000 on a plant. I got capital up there because the laws were such that the capitalists felt that they could go in there and expend their money.

Mr. BURNETT. Let me ask you this question right there: Suppose we were to change this law so as to allow leases, and leases of larger areas, instead of the sale of these limited areas. Would not that of itself, if you gave capital good leases, induce it to go in where it could get the increased areas in that way, really more than under the present law?

Mr. GEBO. Well, a leasing proposition, gentlemen, is something that is really foreign to me. I do not know whether it would be the best in the end or whether it would not; but I believe it would take so long before you could educate capital to believe that it was a good thing that we would have to emigrate out of that country. I fully believe that.

Mr. BURNETT. You say they do not think it is a good thing now, anyway, from the limited amount of capital that is going in?

Mr. GEBO. I have heard the gentleman speak of leases since I have sat in this room for the last week. I believe that if you could look that matter up, Mr. Chairman and gentlemen, you would find that most of that land that is leased in Illinois and Ohio and Pennsylvania consists of pieces of land lying adjacent to places where there have been big plants put in, and that they have leased this land because they could not buy it at a reasonable figure and could conduct the mining through their old plant. But I think that you will find that the plants are so small where the entire territory has been leased and a plant put on it that they would not be worth while considering.

Mr. SMITH. Now, what is your idea? How much do you think a single company or individual ought to have out in these nine States that you have mentioned?

Mr. GEBO. Well, gentlemen, again, that is an awfully hard thing to say, because there are some veins that are a great deal larger than others.

Mr. SMITH. What legislation should we enact along that line?

Mr. GEBO. I do not believe in the Government selling their coal lands to everybody, to people who will let them lie idle. I do not believe in that; but I believe that where a company will agree to develop a mine and spend the money that is necessary (because the

minimum expenditure would be \$500,000 on such a plant as you have to equip in these days in order to mine coal systematically) it ought to be allowed, say, 4,000 or 5,000 acres. I do not believe that any company would be justified in putting in the plant that is required nowadays to mine coal for less territory than that anywhere.

Mr. SMITH. You think it would require 4,000 or 5,000 acres?

Mr. GEBO. Yes; I do. I believe 5,000 acres, gentlemen, is not any too much. I candidly believe that.

Mr. SMITH. How long would that furnish work for the plant?

Mr. GEBO. I judge that it would supply coal for between fifty and sixty years.

Mr. GAINES. How much capital would it take to start that kind of a plant and work it successfully?

Mr. GEBO. It will take you from one to three years to develop a mine and get the plant and the machinery in order. It takes us longer out there than it does here, owing to the distance and the difficulty of getting material.

Mr. GAINES. Suppose we should establish a leasing system and make conditions in it—that is to say, suppose we give you the right to go now and work this coal land, if you will work it and not waste it, and say that if you will work it continuously you can have it at so much at the end of, say, ten years or five years, or twenty years. In that way we will compel the working of it and compel the working of it without wasting, and yet at a certain time we will let you have the land in fee simple if you work it and if you do not waste it. What do you say about that sort of a leasing system?

Mr. GEBO. As I say again, I am not in a position to answer that, because I do not really know, except that I do know this: When you speak of mining coal and not wasting it, I have heard some discussion since I have been here on that point. Now, I am a miner. I used the pick and shovel for seventeen years before I got anything better myself, and I want to say, gentlemen, that the coal that you would leave in a mine would be absolutely the cheapest coal that you possibly could mine. So there would be no object in leaving any coal, because after you have your entries open and your development work all done and your tracks in the cheapest coal you could get would be the coal that would be left in the mine.

Mr. MONDELL. That is, you mean the coal that is left in the pillars?

Mr. GEBO. Yes.

Mr. MONDELL. After the rooms and entries are driven as far as you care to or can afford to go, the remaining coal is the cheap coal—the pillar coal?

Mr. GEBO. It is the cheapest coal; by far the cheapest coal.

Mr. GAINES. What I was trying to get at was this: We want the coal lands worked.

Mr. GEBO. Yes.

Mr. GAINES. It seems that they have gone and preempted those lands, and then stopped working them, which intensifies the coal famine.

Mr. MONDELL. Where?

Mr. GAINES. Oh, I just have that general impression. I am trying to get at some way of remedying the evil. We will all confess that the coal famine gives a great deal of trouble and all that, but I want to get a remedy for it.

Mr. GEBE. Yes; that is what I want to do.

Mr. GAINES. Now, what conditions will you suggest to compel a man when he preempts coal land to work it?

Mr. GEBE. I would suggest again, as I did a few minutes ago, that if a company or an individual opens a mine—it does not make any difference whether it is a company or an individual, because I do not know any individual that would go and spend the amount of money that is required to open a coal mine and work it systematically—

Mr. SMITH. There are not any, you say?

Mr. GEBE. I do not think so.

Mr. SMITH. Why not? I would like to know why you can not find a man that will put in half a million dollars into a paying enterprise.

Mr. GEBE. Well, I of course may be mistaken on that, but I have not been able to find them myself.

Mr. SMITH. Is it not largely because you have not offered them a proposition with sufficient transportation?

Mr. GEBE. Well, again, I do not think that there is any man that would put a half a million dollars into one enterprise to mine himself. I do not think there is.

Mr. SMITH. Oh, they put in four or five or ten times that.

Mr. GAINES. Do they not put it into everything else?

Mr. GEBE. If you gentlemen could only come out in our country—

Mr. GAINES. Your people out there have \$500,000 to put into a coal mine, or a gold mine either?

Mr. GEBE. I candidly believe that if you gentlemen were to ride over that country that I am speaking of now you would come back and say that you would not go back in that country again. I candidly believe that, because it is not such a country—

Mr. GAINES. Did you have \$500,000 when you started mining coal?

Mr. GEBE. I never had that much in my life, and if ever I did I would never mine any more coal. [Laughter.]

Mr. GAINES. Exactly.

Mr. SMITH. I want to find out this: What is there in the coal-mining situation out there that does not invite capital? The amount of money that you mention is not of any particular consequence; \$500,000 is as easy to pick up as \$50 if you have a good business proposition.

Mr. GEBE. We have not been able to make the eastern capital (for the East is the only place where there is any capital) to understand that it is a good business proposition.

Mr. SMITH. What is there about it that they object to?

Mr. GEBE. I would give any man \$10,000 myself if he would tell me why you can not make capital understand it, and then I would know; but I can not find out. I have been trying to find out for fourteen years.

Mr. GAINES. What is it that capital wants? Just tell the committee that.

Mr. GEBE. As I said, I judge that capital would want this—

Mr. GAINES. The whole face of the earth?

Mr. GEBE. Oh, no. Any capitalist wants enough to know that a proposition of this kind is a good investment for his money, or he will not go into it, and up until now we have not been able to make

them understand it. I believe that if they were able to go out there and pay for a territory large enough to justify such a plant as it requires to mine coal now systematically it would make cheap coal, and that is what everybody is after.

Mr. GAINES. How many acres would that require?

Mr. GEBO. I said a few minutes ago that I did not think 5,000 acres was any too much.

Mr. GAINES. All right; give them 5,000 acres. What else, now?

Mr. GEBO. No company or individual should be allowed to buy that 5,000 acres unless they would absolutely agree to develop that property and put out coal; and there will have to be some measures of that kind taken out there, or the people there will suffer so that they will have to get out of the country.

Mr. GAINES. Will they want the land in fee simple, or by lease or on conditions?

Mr. GEBO. I do not think you could get anybody to go in on a lease proposition. Now, I am just speaking for myself. I am not a capitalist.

Mr. GAINES. Suppose we say: "If you work this land for ten years you may have it in fee simple"—say, at \$1.50 or \$5 an acre. Then what? Do not people buy land that way to-day? Do not people buy homes in that way to-day?

Mr. GEBO. Yes.

Mr. BURNETT. They do not buy coal lands, though.

Mr. MONDELL. Mr. Gebo, is it your opinion that if the present coal law, which is a law of sale (or was until the Department interjected its views that a man could not sell his land after he had bought it), were carried out as it is on the statute books, so that a man could buy 160 acres of coal land and then sell it to some one else if he saw fit without the claim being made he had violated the law, or if there were a law under which 10 men buying 160 acres each could consolidate their claims that would establish a satisfactory condition?

Mr. GEBO. Any of those would relieve the situation.

Mr. MONDELL. Would not such a statute, even at the present Government price of coal land, be sufficient for the development of the West?

Mr. GEBO. Absolutely; because now that the country is settled up and that there is such a market you can get capital at the present prices.

Mr. GAINES. What are the present prices?

Mr. GEBO. Ten and twenty dollars.

Mr. GAINES. Under what sort of a law?

Mr. GEBO. Under the present law.

Mr. GAINES. What is the present law?

Mr. GEBO. The present law is that you can pay \$10 an acre for land more than 15 miles from a railroad and \$20 an acre for land inside of that.

Mr. GAINES. What sort of a title do you get?

Mr. GEBO. You get an absolute title—that is, the Government title.

Mr. SMITH. Suppose a man could congregate enough claims in his ownership to make it profitable in that way, could you get men to invest in a coal enterprise 15 miles from a railroad without carrying into every such project a branch railroad?

Mr. GEBO. No, no.

Mr. SMITH. That would have to be a part of the plant really, would it not?

Mr. GEBE. Oh, yes. The road would have to come of course; a coal mine is of absolutely no value without transportation.

Mr. SMITH. Yes; of course I understand that.

Mr. GEBE. And nobody would expend the money to equip a mine unless there was transportation.

Mr. MONDELL. Mr. Gebo, on that point, is it not a fact that mines have often been opened in the West, the land bought, the plant partly put in, the entries driven so as to prepare for an output, with a view of tolling a railroad on, bringing about an extension of railway?

Mr. GEBE. Oh, yes.

Mr. MONDELL. And where the party so opening could show he could produce a good tonnage and had a market, it has resulted in bringing the railroads?

Mr. GEBE. Oh, we are doing that right in the Big Horn basin now. They are hauling coal there, gentlemen, 110 miles with teams.

Mr. GAINES. How much would it cost the Government to take its own money and build a railroad to coal mines of sufficient importance, if the coal mines were worked, to supply your country out there with coal?

Mr. GEBE. I never built a mile of railroad in my life, so I can not say what it would cost.

Mr. GAINES. How many miles would it take?

Mr. GEBE. Well, the Big Horn basin is 140 miles from a railroad, and they have built 110 miles now, and they are still 30 miles away, but they are building in there. But nobody can open up the coal lands now, because everything has been withdrawn. The Department withdrew it. Whether it is the law or whether it is not, I am not here to say; I do not know. But it has been withdrawn, anyhow, and there has been a good deal of money expended in there. Men have put in four and five years' work, in five and six months of the year, that I know of personally out there.

Mr. GAINES. On what sort of titles?

Mr. GEBE. They had just a squatter's right, which they have a right to do on a piece of Government land; and now they can not get title of any kind.

Mr. GAINES. You say a lot of people have gone out there and squatted on the land and proceeded to work four or five years, and put their labor and money in it?

Mr. GEBE. Yes.

Mr. GAINES. Then the President has withdrawn the public lands from them?

Mr. GEBE. Yes.

Mr. GAINES. And they are still squatting on the land expecting us to give them some relief?

Mr. GEBE. Yes; a good many, and of course a good many had to get out of there.

In the case of this land that I speak of, my friends had the survey made. It was unsurveyed land entirely, away from a railroad, and we put teams in there to mine the coal and haul it around, to show the railroad company that the coal would do the work in that country, and that it will store. That is a great trouble of all the companies.

I used to work in Dakota when they first started coal mining and did some of the first work there. I drove the first hundred feet of entry ever driven at Sims, N. Dak., and that coal will not store. If it would store, there is coal enough in Dakota to supply herself for five hundred years; but it will not store. You really have to take it right from the mine to your stove. It will not stand; it is heavy in moisture. But there are large areas of coal out in that country that will stand it, and that you can store in the summer time. I do not think you could open up enough mines in any country in the winter time to supply the demand.

Mr. MONDELL. Now, Mr. Gebo, I want your opinion on the leasing proposition, and I am going to ask you a couple of questions to lay a foundation for that. In how many States of the Union and in what States of the Union have you mined coal?

Mr. GEBO. I have mined coal in pretty nearly all of them, Mr. Mondell.

Mr. MONDELL. Name some of them.

Mr. GEBO. I have worked in Illinois; I have worked in Indiana; I have worked in Alabama; I have worked in Ohio; I have worked in Pennsylvania. Then I worked in North Dakota; I worked in Montana; I worked in Wyoming; I worked at Rosedale, Oreg., and I worked in Washington. I have worked in all those large States.

Mr. MONDELL. In how many States have you operated?

Mr. GEBO. I have operated in Montana, in Wyoming, and in Alberta, Canada.

Mr. MONDELL. From your experience, do you believe that a liberalizing of the present law of sale or of the practice under the law, so that the Department could not proceed against an entryman because he sold his land after having bought it of the Government, but under which the right to consolidate entries would be recognized, would be sufficient to bring about the desired development?

Mr. GEBO. Absolutely. It would relieve the situation out there, and you could get all the capital that is required, because there is such a coal shortage out there that capital is looking that way.

Mr. MONDELL. Providing that entrymen knew that when they bought coal land from the Government and paid ten and twenty dollars an acre for it—

Mr. GEBO. They could sell it.

Mr. MONDELL. They could use it just as they could if they bought it from an individual in Illinois or Indiana?

Mr. GEBO. Yes, sir.

Mr. GAINES. What do you want done with the squatters?

Mr. GEBO. They are there yet, you know.

Mr. GAINES. I understand; but you said a while ago that they had worked there four or five years and put their money and labor in there, and yet the Government, the President, had withdrawn the land now, and tied them up. Now, what do you want done with the squatters?

Mr. GEBO. The law as it stands to-day will relieve them if it is carried out.

Mr. GAINES. But the gentleman from Wyoming states a case where they had a title. Now, a squatter has no title. What do you want to do with him?

Mr. MONDELL. I want to call the attention of the gentleman to the fact that the man that is on the ground is the man who would buy the land if they would restore it to entry and put the law in operation.

Mr. BURNETT. You say, Mr. Mondell, that they can not now sell after having bought?

Mr. MONDELL. I say now that while there is nothing in the coal-land law itself that contains any suggestion that the Congress ever intended that a man should use the land that he buys at ten or twenty dollars an acre exclusively for his own use and benefit, nothing in the law that indicates that it was the intent of Congress to do other than to sell coal land and give men the opportunity to do with it as they saw fit after they bought it, and while for thirty-six years under the law no man who made an entry under one form of the coal-land law (to wit, the cash-entry form) was required to make an affidavit or a statement to the effect that he was going to use it for his own exclusive use and benefit, yet under the present administration of the Interior Department a man who does buy coal land of the Government and pays ten or twenty dollars an acre for it, if he consolidates it with other entries and forms a company, and particularly if he transfers the title to a company or an association to mine the coal, is pursued by the officers of the Land Department on the theory that he is a perjurer and a wicked violator of the law.

Mr. BURNETT. That is not after it has gone to patent, though, is it?

Mr. MCCARTHY. Have they evicted any of them?

Mr. MONDELL. I do not know that they got that far.

The CHAIRMAN. Have suits been brought to cancel the patents?

Mr. MONDELL. In many cases patents have not been issued. They simply issue the final certificate and then hold up the patent.

The CHAIRMAN. They can not cancel the patent.

Mr. ROBINSON. In your view of the law that is not legal, is it?

Mr. MONDELL. I want to say to the gentleman that if he will read the coal-land law he will find that there is nothing in the coal-land law that in any way (I am sorry to take up the time of the witness now) differentiates it from the old sale laws of the Government, under which land was sold outright, and after purchase men could do with their lands as they saw fit; and that under the regulations issued by the Department and in force up to this time, until these lands were withdrawn there was no affidavit required of the entryman under cash entry to the effect that he was intending to use the land exclusively for his own use and benefit.

Where an entry is made under sections 2348 and 2349 of the coal-land law, based on prior location, the entryman swears that it is for his own use and benefit. But the major portion of the coal lands of the country have been bought under the cash-entry clause, under which a man makes no affidavit that he wishes to use them exclusively for his own use and benefit. But the policy of the Department in the past few years has been to pursue every man who buys—

Mr. ROBINSON. As if he were a violator of law?

Mr. MONDELL. As if he were a violator of the law, if he does not go on the land and dig the coal out in his own proper person.

Now, you have said that you think that the present law, if it were recognized as simply a law of sale that did not bind the entryman as to what he should do with the land after he entered it, and would

allow a consolidation in sufficient areas to allow large operations, would be sufficient and satisfactory?

Mr. GEBE. Why, yes; it would relieve everything, and it would make it so that you could get land enough in one tract to justify putting in a plant.

Mr. MARTIN. Mr. Gebo, I will ask you whether you have considered carefully the other phase of that same proposition. That is, if there were absolutely no restrictions upon the part of citizens miscellaneously buying up the coal lands at \$10 and \$20 per acre, while it might relieve the temporary condition, which is certainly a grave one, from your statement and from other knowledge of the subject, would there not be danger of the coal lands thus disposed of drifting into large holdings, which would become monopolistic, and in that way advance the prices of coal unnecessarily to the detriment of the consumer?

Mr. GEBE. Well, no; I would not think that, for the reason that I have been quite familiar with Illinois for about thirty-three or thirty-four years—it was the first State I ever mined in—and it was entirely in the hands of private parties at that time; and it has not been the case in Illinois that its coal land has come in the hands of four or five persons. It has been bought up, and they are buying it up to-day. Taking the southern Illinois district, there were over 70,000 acres bought by about fourteen different companies last year in that country from individuals, and the land has been divided up very carefully in that way. So that I never think that any capital is going to break its neck to get out there and buy that land at \$10 and \$20 per acre.

Mr. SMITH. The idea has been stated before this committee, I think by Mr. Clark, of the Interstate Commerce Commission, that what he considers the greatest evil under the present law is the thing which you say will not be done; that is, that eastern capital buys up the western coal fields and simply holds it.

Mr. GEBE. Out there in that country, where the transportation is very limited, and the population is also limited, I do not think capital would come and buy this land up in the way that it has been stated by Mr. Clark and others. I do not think so.

Mr. BURNETT. If they could get it more cheaply, they would; would they not?

Mr. GEBE. That I do not know, whether they would or not.

Mr. MARTIN. Upon that point, in answer to the suggestion of Mr. Smith, I would like to remind the committee that the testimony of Mr. Clark was that this amalgamation of the large holdings of coal lands in the State of Utah had not come through the application of the coal-land law to that situation, which requires the selling of small quantities at ten or twenty dollars per acre; but that the monopoly out there had been created by the use of the lieu land selection law, by which, improperly, the coal lands of the State, which were never intended under the laws of Congress to go by lieu selection, had been actually taken in large quantities by the State of Utah and sold to large corporations at the rate of \$2.50 per acre, and that by the evasion of that law they had created these large holdings.

Mr. GAINES. Mr. Martin, did he not also say that that trouble was brought about by railroad discrimination—the Colorado Coal and Iron Company, and so on?

Mr. MARTIN. Oh, certainly; the railroads were direct beneficiaries of this violation of the law, and had become, through subsidiary companies, the actual owners of the land.

Mr. SMITH. But you will remember that he also said that he thought the eastern steel companies were gathering up the coking coal of the West to prevent the manufacture of steel and iron in the West.

Mr. MONDELL. You mentioned that, Mr. Smith, the other day, and I can not find that anywhere in the record.

Mr. SMITH. In Mr. Clark's testimony?

Mr. MONDELL. Yes; I have looked for it carefully.

Mr. SMITH. Well, somebody here in the room brought that out.

Mr. GEBO. As far as the coking coal of the West is concerned, gentlemen, the Government can give them all the coking coal in the West and not be giving away anything.

Mr. BURNETT. That is, under the present laws?

Mr. GEBO. Under any laws, because coking coal does not exist in that country.

Mr. SMITH. It has been testified here that there is a certain amount of coking coal in Colorado.

Mr. GEBO. Yes; but I am speaking of this other section of the country outside of Colorado.

Mr. SMITH. We are not confining our inquiry to any particular section.

Mr. GEBO. But they did not tell you, gentlemen, about taking out this big plant that they have been putting in out in Wyoming, at one place, at Cokeville, Wyo., where they expended over \$3,000,000 on a coking proposition. They are taking that machinery out. They did not tell you that.

Mr. MONDELL. Do you know how much money was spent in Cokeville, Wyo., on that proposition, to attempt to make coke there?

Mr. GEBO. I understood about \$800,000, Mr. Mondell.

Mr. GAINES. Mr. Witness, I want to ask you a question that is based upon information that I got last night; and I want to say to the committee that I tried to get the gentleman who told me this to come up here, but I could not do it. He is a very honorable man, a man of means, and totally disinterested so far as I know. I said: "Sit down here; I want to talk with you. I want to ask you a question about the coal famine out West. What is the cause of it?" "Well," he said, "Mr. Gaines, I personally do not know; but I have heard, and often heard, and it is common repute, that when an independent coal-mining concern digs its coal and puts it on the market the railroads will haul into the market of the independent coal-mining concern great train loads of coal and undersell it, and break it up and drive it out of business." He said that that was a common condition of things out West, and was the common reputation of the way the railroads did to crush out independent coal-mining concerns. I asked him to come here, and he declined to do it. He is a very busy man. To what extent is that true or not; or do you know anything about it?

Mr. GEBO. I would know if it were so, I believe, because I have never done anything else out there except just to work in the mines.

Mr. GAINES. What do you know about the kind of condition I have just described?

Mr. GEBO. In my case I have never, at any time, been placed in any different position but what the railroad companies, all the officials from the president down, have always tried to encourage me to get capital to open up the coal of the country.

Mr. GAINES. I am not speaking about you, Mr. Witness. You seem to be a man capable of taking care of yourself. But how about the case I put; do you know of it?

Mr. GEBO. I am speaking now of a general case, because I am all over that country, in those different States.

Mr. GAINES. Have you ever heard of that kind of a case?

Mr. GEBO. I have heard of those cases, and I believe—I do not believe, I know. I went personally to those men who had said they could not get their coal on the market, and the only thing that existed at their mines was that they did not want these eastern people to know that they could not handle the mine, and they could not possibly put out the required tonnage, and that was the only reason why they made that howl.

Mr. GAINES. What did you hear about the railroads doing what I have just described?

Mr. GEBO. I have never heard that in my section of the country. I have heard it, as I tell you, in places where I know it is not the case. I know that, because there is not coal enough to supply the demand, and why should they do that?

Mr. GAINES. You can understand why a railroad would not want any competition. It never does, you know, in anything.

Mr. GEBO. Why, take Rock Springs, for instance. They are not able to ship one pound of coal away for their own use; not one pound of coal. Where they used to supply Butte partially, they now can not supply it any coal at all. There was not one car of Rock Springs coal, of that southern Wyoming coal, that came into Butte or Anaconda last year, except what went to Senator Clark's smelter—200 tons.

Mr. GAINES. Does what is known as the "private" mine worker or coal company sell coal cheaper than the railroads that own the coal mines?

Mr. GEBO. Well, to be fair, I want to say that the private owners this year are selling their coal at 50 cents a ton more than last year, and the railroads have not raised their price; and I am not working for any railroad and never worked for a railroad in my life, except to mine coal in their mines.

Mr. GAINES. What is your business?

Mr. GEBO. The coal business is my business particularly.

Mr. GAINES. You do not represent any particular concern?

Mr. GEBO. I do not represent anybody except myself. I am unfortunate enough to have a little mine at Lewistown, Mont., that is not making any money.

Mr. GAINES. It is not?

Mr. GEBO. No, sir.

Mr. GRONNA. Taking up the leasing question, Mr. Gebo, do you not think it would really be an advantage to have the opportunity of leasing a coal mine, rather than the present system? As you have stated, there is no one man who will open a coal mine. When you find coal in any considerable quantity, of course a corporation is formed and you sell stock. Is it not true that people that have money

are afraid that this stock is being watered, that they are really buying something that does not exist, the same as it is with railroad concerns and other business concerns?

Do you not believe it would be better to prevent that by letting the Government lease those coal mines and get such a lease as the gentleman from Tennessee, Mr. Gaines, stated, practically giving it to them, provided they would operate it? Do you not think it would be safer?

Mr. GEBO. In my own experience, in the fourteen years that I have been operating and working for companies that were operating, I have always found that the American people, when they go into any business of any kind, want to own it themselves. That is one thing that I have found.

Mr. GAINES. You find, also, that they want to get it for nothing, as a rule, do you not?

Mr. GEBO. When they have bought, and at ten or twenty dollars an acre, they have not got it for nothing, when it comes to coal land. I am speaking of coal land now. Other lands I am not familiar with.

About the leasing proposition, you speak of selling stock. I have never seen at any time in my mining experience where you could sell stock on a coal proposition until after it was equipped. As I say, it is pretty hard to get one man to put up the necessary money. Now, I do not doubt there are men, if you could find the right kind of men, who would put up half a million or two million dollars on one plant.

Mr. GRONNA. Oh, I believe you are right in that.

Mr. GEBO. But you can much more easily get four or five men that will put in a hundred thousand dollars or so apiece, and go in and develop a property if they can get land enough, and then probably they will sell stock, but up until that time you could not sell stock to anybody—that is, it has not been my experience. I have never worked for any company that has been a stock-jobbing concern. They have generally been operators and equippers.

Mr. GRONNA. You have your own personal experience, you have opened mines, and as soon as you find that it will pay to mine coal there a company is formed?

Mr. GEBO. Yes.

Mr. GRONNA. And then the only way you can interest people is to sell stock?

Mr. GEBO. Oh, no. I go back to what I said before. You can not sell any stock, but you can go to five or six moneyed men that you know—I know some of them—and say to them, "Now, here is a good investment. Here is the condition that exists out there, and here is my report on this. Do you feel like putting up this money to equip this property? It will take \$500,000 or \$600,000 or it will take a million." That is the way it has been done.

Mr. GAINES. Mr. Witness, what do you propose—to compel a man who goes and preempts and gets a patent on coal land to work it? It seems that the people preempt the land or get hold of the coal land now out there and do not work it. I want to get something to make them do it or make them give up the lands.

Mr. GEBO. Then you would have to modify the laws.

Mr. GAINES. What do you suggest?

Mr. GEBO. I suggest that the present law will cover everything.

Mr. GAINES. But it seems that it has not done it. There has been a signal failure, and here we have a coal famine out West.

Mr. GEBO. Well, I do not know that it has been such a famine.

Mr. GAINES. You have a coal famine, have you not?

Mr. GEBO. We have a coal famine for only one reason—that our country was new, and we could not get capital to come in there and develop it. But now that the country is opened up so that you can get capital to come in there, just at this time these lands are all withdrawn.

Mr. MONDELL. Mr. Gebo, you know the situation very well in Wyoming and Montana and the Dakotas?

Mr. GEBO. I think I do.

Mr. MONDELL. And Idaho and Washington and Oregon?

Mr. GEBO. I think I do.

Mr. MONDELL. Do you know of a single place in all that vast area where there is coal land owned in any considerable body that is not being worked, that the owners are not trying to work?

Mr. GEBO. I do not know of any, gentlemen.

Mr. MONDELL. Do you know of any place where anyone has acquired public coal land in any considerable quantity without working it?

Mr. GEBO. No; I do not know of one.

Mr. GAINES. If they owned it, clearly the President could not stop them from working it by withdrawing it. He can not withdraw a man's private property.

Mr. GEBO. My dear sir, he has not withdrawn that kind of property. The mines are working night and day and all the time; but there are not mines enough.

Mr. GAINES. All right, then. What has the President's withdrawal stopped? What class of individuals?

Mr. GEBO. It has stopped all the acquiring of coal lands.

Mr. GAINES. The squatters, for instance, that you spoke of a while ago?

(At this point a discussion ensued among members of the committee, outside of the record, as to the meaning of the term "squatter" as applied to the lands now in question.)

Mr. MONDELL. Let the witness state concisely what changes he thinks should be made in the law.

Mr. BURNETT. I understood him to say—and I want to question him right there—that his idea is to enlarge the area and allow the purchase to be made, and allow the purchaser then to sell immediately if he wants to. Now, then, what is the difference between that and selling to the entryman himself an enlarged area? If you are going to let him go right on and make the sale the next day, what is the difference between that and enlarging the area of sale to the man in the first place?

Mr. GEBO. If I have stated it in that way, I did not mean to do so. I said that the present laws would cover everything if they would sell as they have been doing.

Mr. BURNETT. Exactly.

Mr. GEBO. Now, I believe that if the law is to be changed so that a company or an individual would be allowed to buy 5,000 acres of coal land right out, at the Government price, whatever that is, they should be compelled under that purchase to open up a mine as fast

as it could be opened up and developed. Now, I said that the law should compel such a man to open it. If the country is not developed enough to justify him in opening up a mine, I do not think the Government ought to sell it to him. But if they would go on as they have been, the present laws cover everything that is required. But the operation of those laws has been suspended.

Mr. BURNETT. Suppose, then, that a man goes on and makes a sort of formal entry in order to evade that law, and then withdraws it afterwards, would we not be in the same condition that we are in now?

Mr. GEBO. In case he should withdraw?

Mr. BURNETT. If he should stop his work afterwards, do you not think that the law ought to require him to go on and continue in good faith to work that mine?

Mr. GEBO. Absolutely, if the coal is there. There have been several places where people started off with good coal and had to pull up their plants.

Mr. BURNETT. Even then he would have the land itself when he pulled up the plant, would he not, and the Government's title would be gone?

Mr. GEBO. Yes; but he would have paid more than the land was worth if it was not coal land.

Mr. BURNETT. Then you get back to the original proposition—that you had better just sell him 4,000 or 5,000 acres at the start, had you not? Or else you come to what it seems to me from this discussion to be a better plan, and that is for the Government to go on under the suggestion of the President and make these leases—long-term leases, if necessary—for fifty or sixty years, with a right to compel the man to continue work on it. Would not that be better than the present system?

Mr. GAINES. With the right to buy at a certain time.

Mr. BURNETT. Well, I do not know about that.

Mr. GEBO. I do not think it would be, because I do not think you could educate capital quickly enough to take that up. It would take too long to relieve that situation.

Mr. GAINES. Mr. Witness, the fathers of the Republic leased salt lands, and coal lands, and wood lands, and all sorts of public lands.

Mr. GEBO. I was not aware that they did. At any rate, things have changed a great deal since that time.

Mr. GAINES. I know; but it is well enough to “go ’way back up the creek,” as I said the other day, and sort of pattern after the things that they did. How would you compel a man, when he gets coal land, to work it?

Mr. GEBO. If a man puts up a \$500,000 plant on a piece of coal he will work it, gentlemen.

Mr. GAINES. Suppose that he does not, now, how would you compel him, after taking this Government land, to work the coal lands and in that way overcome the railroad monopoly or any other monopoly and keep the people supplied with fuel? That is what I have in mind, and that is what I want to help to do.

Mr. GEBO. As I say again, any man that will equip a mine in the way that they equip them nowadays will not let it lie idle. I can say that, and you will say the same thing. If you were to put

five or six hundred thousand dollars in anything you would not let it lie idle just to spite somebody.

Mr. GAINES. But, as a matter of fact, my dear sir, the record shows here that they do let the coal lands lie idle.

Mr. GEBO. Yes; but not in the country that I speak of.

Mr. GAINES. Well, this is out West, I do not know exactly where, but it is here in the record somewhere.

Mr. GEBO. There have been times, you know, when there have been statements made about those things that have been misleading.

Mr. GAINES. You see, I am trying to relieve this trouble, and the committee wants to do it; but we have somewhere in the record the statement that the people preempt coal lands and do not work them.

Mr. GEBO. Yes; but not the parties that erect plants on them.

Mr. GAINES. Let me assume a case, then, where they get Government lands, say 5,000 acres, which you spoke of this morning, and do not work them and the people suffer. What sort of a statute do you want us to pass to compel that man with that rich coal land to work it or forfeit it?

Mr. GEBO. I believe that I am in a position to challenge any man to get a committee appointed from the Congress of the United States and come out and find one area of as much as 3,000 acres of coal land that has been patented in any of those States that I speak of (outside of Utah and Colorado, with which I am not familiar) where there is not a plant on it, working it. I will challenge any man to find such a place in any of the seven States I have mentioned.

Mr. GAINES. Well, I am glad to hear you say it.

Mr. GEBO. Colorado and Utah I am not familiar with. I do not think any condition exists there different from what they have in these other States, but I am not familiar with them.

Mr. GAINES. Then you are not ready to give me any remedy along the line of compelling a man to work Government land if such a case were to occur, where he did not work them?

Mr. GEBO. Only as I say, if the Government were to make it so that when 5,000 acres of land was sold to an individual he would be compelled to expend enough to put in his plant, which would be at the minimum half a million dollars. That would be the only thing I could see in the way of a remedy.

Mr. VOLSTEAD. Does it take as much as \$500,000 to open up a mine?

Mr. GEBO. I equipped one mine at Gebo, Mont., that is only equipped up to a capacity of 200 tons a day, and we spent \$300,000 on it. Up in Canada we built some coke ovens, of course, but we expended \$1,200,000 on just paying for the land and putting in our plant in order to be able to make 1,500 tons a day. We spent \$1,200,000 there.

Mr. VOLSTEAD. What would you consider as the minimum expenditure that ought to be required in case of a large lease, or a large tract of land being sold?

Mr. GEBO. I consider that a \$500,000 plant would be the minimum that would be required to mine the coal, to make cheap coal. Yes, sir; I do.

Mr. MONDELL. Mr. Gebo, there has been some suggestion made that a coal field would be more completely mined out under lease than where the property is owned by the parties working it. What is your opinion of that?

Mr. GEBE. I believe I answered that in the beginning of this hearing, but I want to say again that it would not make any difference. If I were operating under a lease, or for a company of my friends that had their money in there, it would not make a difference of a ton of coal on an acre either way, because the last coal that you take out of a mine is the very cheapest coal that you can get out at any and all times. I want to say, though, that back of, say, six years ago—that is not very long ago—the miner at that time did probably get less, and he might have got a little more, for the reason that in mines I have worked in, if they had 2 miles to go to their boundary, they went to their boundary and started back, drawing on their pillars. By that time it took so long to get there that the pillars had crushed; the weight had come, and you could only get about 10 per cent of the pillar coal. But now, in mining coal, when you mine it on the block system, which has been going on now for about six or seven years, you work it along for about 500 feet square and you take out your pillars right away, and it has not had time for the squeeze to come on; and I have worked in places and taken out, in northern Montana, I believe, 99 per cent of the coal of the mine.

Mr. MONDELL. Do you not think that under ordinary conditions the owner of coal land would work it out much cleaner than the lessee, because the owner, owning all the land, wants to get all the coal out?

Mr. GEBE. If I were operating it either way, Mr. Mondell, I do not think it would make a difference of a ton, because I would want to get the last coal, which is the cheapest. I would want to get all the coal I possibly could out of it.

Mr. MONDELL. There is this fact, however, in the mining of coal: That you sometimes strike a piece of soft coal, or a fault, or a dip, and barren ground. Under those conditions, would not the owner many times take chances on driving through to the good coal where the lessee would not be inclined to take those chances?

Mr. GEBE. I think it would be about 99 per cent in favor of the owner in that case. I was talking about where the coal would be normal.

Mr. MONDELL. Is not that often true, that you strike a fault or a fold?

Mr. GEBE. Yes; it is true in that country.

Mr. MONDELL. Or a pocket of bad coal?

Mr. BURNETT. But all that can be regulated by the lease, can it not? He could be controlled by the lease.

Mr. GEBE. I think you understand what that means. Sometimes there might be a man sent out that did not know as much about coal as he might, and everybody might think that he did, and he might impose conditions that would practically close a mine down, and it would be hard on the people that had the lease. There is a lot to go into about this thing. It would be hard to get capital to go in and feel absolutely safe. I am pretty sure I am right on that.

Mr. GAINES. Mr. Gebo, can you tell us anything about the Canadian laws? I think you alluded to that matter casually here, but if you did not I would like to know something about it.

Mr. GEBE. I know a good deal about it, because I patented 19,000 acres up there for my people. I took names from this country and went over there—they allow that, and allow one man to take 320

acres. I took the names from here, and I went right down to Ottawa and had the deeds from those parties transferred right to me as soon as I got there. Under their land laws over there you pay \$7 an acre for bituminous coal and \$20 an acre for anthracite. There is very little anthracite, however, and what there is is up at Banff. You pay \$7 an acre for bituminous coal and \$3 for the surface. You can buy one without buying the other, just as you have a mind to. But at that time they had a land scrip up there that they were selling for 40 cents on the dollar. So I bought land scrip enough at 40 cents to pay for the land, and I got it for \$4 an acre. The Government took it at its face value. But the land laws there are \$7 and \$3. For \$10 an acre you can buy coal lands there right on the railroad.

Mr. GAINES. What are the conditions of the law?

Mr. GEBO. The conditions of the law are an absolute patent and title to the land.

Mr. GAINES. Provided you pay cash?

Mr. GEBO. No, no. They also have a law, gentlemen, under which you can pay \$2.50 an acre, and then that you can have three or five years on the balance, paying 6 per cent interest.

Mr. GAINES. And no leases?

Mr. GEBO. There are no leases there.

Mr. GAINES. How does that law operate? Does it work satisfactorily?

Mr. GEBO. It has operated this satisfactorily, gentlemen, that six years ago, when I went up there, they were mining 800 tons of coal per day in the entire district and now they are mining 19,000 per day.

Mr. GAINES. How far is that from Montana and Wyoming and the Dakotas?

Mr. GEBO. It is not very far in a way; it is within about 500 miles of Butte.

Mr. GAINES. Do they have coal famines up in that country?

Mr. GEBO. They have this kind of a famine—that they were shipping quite a lot of that coal into Spokane and the government stopped it here about three weeks ago.

Mr. GAINES. What government?

Mr. GEBO. The Canadian government.

Mr. BURNETT. They wanted it all at home.

Mr. GEBO. Yes; you have got to supply your own people first. They are bringing coal from Nova Scotia into that country now, sir, 2,400 miles away.

Mr. GAINES. What is the extent of the coal area up there?

Mr. GEBO. The extent of the coal area is about 250 miles that I have followed it to the north, and in a distance of 93 miles the different veins make just 1,050 feet of workable coal.

Mr. GAINES. What causes this shortness of coal, compelling the government to stop those exportations?

Mr. GEBO. Because there have not been mines enough opened there.

Mr. GAINES. Is it too high in price?

Mr. GEBO. No; the price is all right.

Mr. GAINES. How much do they sell coal for a ton up there at the mine and how much at the market?

Mr. GEBO. I made a contract, sir, for my company before I left there, running for ten years, at \$1.70 a ton at the mine.

Mr. GAINES. At the mine?

Mr. GEBO. Yes.

Mr. GAINES. Now, if you haul it 200 miles, how much would the coal sell for at the terminus, at the market?

Mr. GEBO. Going 200 miles you do not get a market. You have to go farther than that.

Mr. GAINES. How far does it go?

Mr. GEBO. The Wyoming coal goes clear to Omaha, 865 miles.

Mr. GAINES. How much did it sell for in Spokane?

Mr. GEBO. In Spokane? There was a duty there; of course I do not know how much it sold for. I can give you the rates, though, what is charged on a good many of the roads for a certain distance up there. But what it is selling for at market in the town does not mean that that is the price of the coal at the mine, you know. They have to have their commission for delivering the coal and everything, and it raises the price of coal pretty high.

Mr. GAINES. Could you put into the record here what price that coal is sold for at Spokane and the distance it is hauled?

Mr. GEBO. I could give you the distance it is hauled better, because at the time I was there we did not ship any in those cities.

Mr. GAINES. You can write a letter to me on that point, or write a letter to the secretary here. I would like to get that into the record.

Mr. GEBO. I can tell you what they are charging in Wyoming and Montana for a certain distance. I can do that very nicely.

Mr. GAINES. I am trying to get at the Canadian laws, because I understand they have some laws on the subject of coal and coal lands and railroads and have a railroad rate-making commission and all that.

Mr. GEBO. Yes; they have all those things.

Mr. GAINES. And a coal famine, it seems.

Mr. GEBO. But I was speaking of the price of coal at the mines. There is where we would be relieved of it—at the mines.

Mr. GAINES. Do the railroads own the coal mines up there?

Mr. GEBO. Yes; they have been compelled to go into the coal business on account of not being able to open up mines enough.

Mr. GAINES. Do they sell it to the people generally, or just use it themselves?

Mr. GEBO. They sell it to everybody, as much as they can.

Mr. MONDELL. Mr. Gebo, you have stated that under the Canadian law there is practically no limit to the amount of land that can be acquired and consolidated at approximately \$10 an acre, as against our laws, which limit the entryman to 160 acres, and as now enforced make consolidation difficult and fix the cost at from ten to twenty dollars an acre. Taking into consideration that Canadian situation, if we were to go to a leasing law, say, on a basis of 5 cents royalty per ton, which has been discussed somewhat, could the operator in Wyoming, Montana, Washington, and Oregon operating under such a lease system complete with the Canadian operator under the conditions that exist there?

Mr. GEBO. I believe he could, Mr. Mondell, because I do not see how we are ever going to get coal enough out in that country to supply the demand. In times of less demand the chances would be against him.

Mr. MONDELL. I am assuming that there is coal enough going to be sold there to supply the demand. Can the American operator, operating under a lease system, at 5 cents a ton royalty, we will say, compete with the Canadian who owns his coal land?

Mr. GEBO. Well, now, I would not think so. And then another thing about this lease proposition, getting back to that again, Mr. Mondell. I do not think that you could get capital that would go to work and put in half a million to a million dollars in a proposition where after they got through they would have nothing except the value of their plant.

Mr. GAINES. With the right to buy in twenty years?

Mr. GEBO. Twenty years is a long time off. I do not think that if you saw that country you would put money in yourself on that kind of a proposition.

Mr. GAINES. Why, this fine building up here by the Riggs House is put on a ninety-nine-year lease, and it is one of the handsomest banking buildings I know of in the United States.

Mr. GEBO. They do that in Chicago pretty nearly exclusively; but this is not coal mining.

Mr. SMITH. Mr. Gebo, as a matter of fact a man who goes into coal mining extensively does not figure that the land, after the coal is all out of it, is going to be much of a factor, in point of value, does he?

Mr. GEBO. No; he does not figure on that.

Mr. SMITH. Then a lease would serve his purpose as well as to own the land. He would get all the coal there was there and that is really all he wants, is it not?

Mr. GEBO. Well, I am getting back again——

Mr. SMITH. Will you answer that?

Mr. GEBO. Will I answer it? Why, yes; if I can answer it so that it will be understood.

Mr. SMITH. What I want to get at is this: In the estimation of a coal operator the coal in the ground is all that he looks to. He does not care anything about the surface after he is through with it, does he?

Mr. GEBO. Oh, no. In a good deal of that country out there the surface does not amount to anything.

Mr. SMITH. That is what I want to get at. Then a lease which would give him all the coal would give him practically as much as a sale which would give him the coal and the surface, too?

Mr. GEBO. It would give him the coal under a lease proposition; but could you get capital to open that mine? That is what I want to know.

Mr. SMITH. Then it resolves itself into this simple question: "Mr. Capitalist, will you go and take that coal out of the ground and pay 1 cent a ton, or some trifling amount"——

Mr. MONDELL. Who has suggested a cent a ton? They have been talking of 5 and 10 cents a ton.

Mr. SMITH. Well, wait until I get through. "Will you take that body of coal and take it out of the ground, paying so much for each ton as you take it out; or would you prefer to go and pay a lump sum for the entire acreage, and then proceed to take it out?"

Mr. GEBO. I would say, "Pay the lump sum." My reason for that is because any man who goes into business of any kind will

always want to be placed in a position where, if he wants to sell next year, he can do so.

Mr. SMITH. I beg to call your attention to the fact that practically every acre of the oil-bearing territory of California is operated under a lease.

Mr. MONDELL. The Government land and all?

Mr. SMITH. No; not the Government land; but the individual who owns it does not operate it in a single case.

Mr. VOLSTEAD. The great bulk of the iron lands in northern Montana are operated under leases, and I do not know how many millions are invested upon those.

Mr. MONDELL. Yes; but they are leased by private individuals and not the Government.

Mr. GAINES. Mr. Witness, you stated just now to Mr. Smith that at the end of about twenty years the coal miner has practically gotten all of the coal out of the mine, and, therefore, does not care to buy the land as coal land. Now, then, which would be safer as a business proposition or more inviting to a capitalist to buy and pay for what he actually digs out of the ground and no more, or to buy the land at so much an acre and run the risk of getting a little coal or a great deal of coal?

Mr. GEBO. It would be more satisfactory to buy the land right out?

Mr. GAINES. To buy it outright, and then you might get something and you might not.

Mr. GEBO. Yes; and you might not.

Mr. BURNETT. And yet the land would not be worth anything after he had mined it.

Mr. GAINES. When we eat hickory nuts out in our country we crack them and get the kernels out and throw the hulls away, because they are worthless. When you go and dig all the coal out, as the land is worthless, the miner would not want to buy it.

Mr. GEBO. What capitalists are looking for, gentlemen—I believe I am right on this, though there are probably a great many people who could enlighten me also on it—is that when they buy anything or go into anything they want to own it, so that they can sell it if they want to.

Mr. GAINES. But if you practically own it under a lease, what is the difference?

Mr. GEBO. You do not practically own anything under a lease, and yet you have to put a plant there that represents so much money.

Mr. VOLSTEAD. Why should there be any difference between mining coal and mining iron?

Mr. SMITH. Or oil?

Mr. VOLSTEAD. Yes; or oil. Capital is going into those things right along upon leases. I have seen a number of leases drawn in Minnesota on those iron lands. There has been no hesitation about putting in millions of dollars for improvements for plants to mine iron under those leases.

Mr. GEBO. After they have found that there were the deposits of iron in Minnesota, and those big companies that were already established, with their big plants, found that they had to have the iron, then they went ahead and made those leases. I suppose that is the way it was done. But that is a new country out there that has

nothing in it, except people crying for coal. That is the only thing we have.

Mr. VOLSTEAD. I can tell you that if you will go up in northern Minnesota, where they mine the iron, you will think there is not anything there except the iron and a few villages and mining camps where they are mining.

Mr. GEBE. Then that bears out my statement that they have no plant that has cost a great deal of money.

Mr. MONDELL. Mr. Gebo, do you know of any place in the United States, from your experience, where large and expensive coal plants have been erected on leased ground?

Mr. GEBE. I do not know of one. I do know of several leases.

Mr. MONDELL. Do you think that a man would put a \$500,000 plant anywhere in the western country on leased ground and take chances on the supervision of the Government?

Mr. GEBE. I do not know of any. As I said to the gentleman a while ago, I would be willing to pay if I could find a man like that. I have never been able to find him, and I have talked to them on every line of the coal business. I have talked to them about leasing; I have talked to them in every way, and I do not think, gentlemen, that I could raise a thousand dollars inside of the next thirty days on a lease proposition, although I can bring you men that will say that they will furnish \$5,000,000 on propositions that I recommend.

Mr. GAINES. How do they do it in the case of iron, in the case of oil, and in the case of building this magnificent building down here south of the Riggs House?

Mr. GEBE. Because they have a future right off—they have the future and the market right off. It is these big companies that do that.

Mr. GAINES. It is big companies as a rule that are doing the coal digging in this country, is it not?

Mr. GEBE. I am speaking now of companies such as I would represent. I do not know whether you would call them big or not. They are private individuals, and I know that they would not go into a mine unless they owned the property.

Mr. GAINES. What are your companies capitalized at?

Mr. GEBE. We are not capitalized at anything. I own a little mine up there; nobody owns any stock in it at all. I have spent a good deal of money, and I keep putting in more money, excepting to have more come out all the time, and it has not been coming out. Under those circumstances I would not go to my friends and say, "Here, I would like you to put in some money with me," because I would not want a friend of mine to come to me and say, "You worked on a thing two or three years, and found it was of no value and then wanted me to put money into it."

Mr. SMITH. Have you ever attempted to interest capital in a coal proposition based upon a lease?

Mr. GEBE. I have been talking it over in the last three or four months.

Mr. SMITH. With a view to a change in the law?

Mr. GEBE. In case the law was passed, you know; the President announced that he wanted coal lands leased.

Mr. SMITH. And you find that it is not practicable?

Mr. GEBO. It is absolutely impossible for me to get capital. I do not know what others could do.

Mr. SMITH. Well, you have had experience?

Mr. GEBO. Oh, I have had experience. I have done nothing else for the last five or six months.

Mr. SMITH. And you find that men who are acquainted with these ventures in coal mining do not look with favor upon such a system?

Mr. GEBO. Yes. I had three different gentlemen, that are wealthy gentlemen, one of Boston and two of New York—they are very wealthy; they are worth several million dollars—who said: "You bring us a coal proposition that you will recommend, and we will put in all the money you want, providing we own it; but on a lease proposition we will not talk to you about it." On the strength of that—

Mr. SMITH. Well, that is getting down to the point of the matter.

Mr. GEBO. They wanted me to go to Alaska, and I could not go, and I sent my friend up to Alaska to make a report, with the understanding that if he reported favorably on the thing I was to go up then and make a final report to them. They said, "We will put in all the money that is required: we will build our own steamboats so that we can bring the coal to market, and everything;" and he turned the proposition down, so we did not go there.

Mr. SMITH. But they have told you that they did not feel interested in a leasing proposition?

Mr. GEBO. Oh, they told me that, gentlemen, absolutely; and I have worked on it, as I said, five or six months.

Mr. GAINES. Did you say a ninety-nine-year lease, or a fifty-year lease, or just a lease?

Mr. GEBO. It was a lease of any length of time you wanted to make, and they would not do it.

Mr. GAINES. Did you nominate a year?

Mr. GEBO. I nominated everything from ten years up to two hundred years with them, because I thought that probably if it did pass it would put us in a bad condition out there. The condition, from my point of view, is really just as a citizen of that country. That is practically the only thing, and I do not see what is going to come in to relieve the situation out there, even if twenty mines were to start. They would relieve it some, but it can not be relieved as it ought to be right now if they started in to-morrow and kept right on working.

Mr. MONDELL. Then, from your experience, it would be utterly impossible to get any new operations under a lease system at this time?

Mr. GEBO. I personally have canvassed that thing with my friends—moneyed men—ever since the President issued that order of withdrawal, and said that the law would be changed, if it could be, to that effect. I have canvassed that thoroughly, and I have put in most of my time in New York since that time, and Chicago and Omaha, and I have not been able to find any men that would do it.

Mr. GAINES. How is it that your friends in Boston and New York are so opposed to the lease system, when they have not tried the lease system?

Mr. GEBO. Because, as I said, they do not know what it means, I suppose.

Mr. GAINES. Exactly.

Mr. MONDELL. Mr. Gebo, just on that point: Leasing is leasing, whether it is agricultural land or coal land. Do they not view that thing just as the American people view all forms of leases—that a man would not care to go into a wheat-growing proposition, for example, on leased land; and is it not due to the fact that a man does not want to put up an enormous plant on property that belongs to somebody else, and where, in every detail of the operation, he would be under somebody else's direction and control?

Mr. GEBO. I have been told that in those very words by those people that I speak of—"We will put in all the money that is required to equip the mine properly if you can get title to the land, so that after we put up the plant we will own it; but on a lease proposition we will not put up any money." I have been told that time and again, that they would not put up any money on a lease proposition; but they would put up the money if they owned the land.

Mr. GRONNA. Mr. Gebo, I would like to ask you a question on that point. Is it not true that the reason they want to have absolute title to the land is this: That they are afraid that the restrictions or the regulations that would be placed upon these leases, and the inspectors that the Government might send out would make it very difficult to operate the mine under the supervision of the Government? Has not that got something to do with it?

Mr. GEBO. I think not, gentlemen, because I have never been questioned about how I should work a mine in all the years I have operated for my people. That is left entirely to me.

Mr. MONDELL. But it would not be if you were working under a Government lease. The question of how you should mine would be left to the Government inspector.

Mr. GRONNA. I do not think you understood my question. Is not that an objection; is not that what these capitalists object to, that instead of running their own business they will be dictated to by a lot of men that really do not understand how to mine coal?

Mr. GEBO. My people have not said that, but I have stated that to them. I have told them that, because I was a miner.

Mr. GRONNA. Is it not your opinion that it would be an objection?

Mr. GEBO. It is my opinion that would be one of the objections; and the next objection would be that you could not get the capital to go in at this time. Now, I do not know, gentlemen, whether I am right or whether I am wrong; I am not well enough posted to know whether this thing in eight or ten years would adjust itself so that a lease proposition would not be better. I do not know, but for the time being I say no, that it would not be.

Mr. VOLSTEAD. Supposing we make a lease providing that a royalty shall be paid upon the output until that royalty equals \$20 per acre, and that thereafter there is to be no royalty paid as long as the land is operated reasonably under the lease for the purpose of the output?

Mr. GEBO. That is getting back to the lease proposition again.

Mr. VOLSTEAD. But would not that practically comply with the plan that you suggested—that a person should be entitled to hold the land only so long as he was operating the mine?

Mr. GEBO. It might be; but whether you could make the public understand that, would be the question.

Mr. GAINES. Let me suggest a plan along the lines of my friend who has just asked the question. First, you pay a royalty; second, you work the mine; third, at the end of, say, twenty years, you buy, and credit the mine at so much per acre with what you have paid already in royalty. The ultimate purpose of the Government, and the immediate purpose, is to open the mines and supply the people and put the people to work. In other words, you pay a royalty, and in the meantime you are paying for the mine if you want the title at the end of twenty years.

Mr. GEBO. That gets back again to where——

Mr. GAINES. That is as fair as it can be, it seems to me.

Mr. GEBO. Yes; may be it is from your point of view.

Mr. GAINES. You sort of milk the cow and throw her out of the sink hole.

Mr. GEBO. But what capitalists want (and you understand that without my telling you, because you understand it better than I do) is something they can sell if they want to; and if it is only a lease with a plant that they have equipped, they could not sell it, and they are tied up for twenty years. Is not that right? I am asking for some information myself, because this is something——

Mr. SMITH. Is not what capital wants really the right to a universal monopolization?

Mr. GEBO. Well, you could probably help me out on that. I have not been placed where that has been going on. I have been in a country that has not had enough capital in it for us to judge, because we have had to go to other countries for it; otherwise we could not get it.

Mr. SMITH. You say under the present law there has been very little increase?

Mr. GEBO. There has been no increase, for the reason that we could not get capital. Now the country is developed so that you can get capital, and yet Montana is producing less coal than it was before. It has increased very little.

Mr. MONDELL. Mr. Gebo, just one question, if you care to answer it.

Mr. GEBO. I will answer any question that is asked me, if I can.

Mr. MONDELL. What, in your experience, is a fair average profit to the mine operator per ton on all the coal taken out in the country in which you have operated? What would be considered in that country a fair average profit per ton on all the coal he takes out?

Mr. GEBO. That is, the profit on it, you mean?

Mr. GRONNA. The net profit.

Mr. GEBO. You mean the net profit?

Mr. MONDELL. Yes; the net profit.

Mr. GEBO. Out in that country they have figured on about 12 per cent, Mr. Mondell, as the net profit on their coal.

Mr. MONDELL. About 12 cents a ton?

Mr. GEBO. About 12 per cent on the investment that they had in their entire plant. About 20 cents a ton would be about what they had figured on in that country out there. I have heard since I have been here about the price of coal in Wyoming last year, that is was sold for \$1.33 in Wyoming at the mines. Now, gentlemen, if that is so, it does not mean that they are making \$1.33. There is a good deal to coal mining that you do not take into consideration. You are hurting men all the time and you are killing men all the time, no

matter how you operate your mines. You have always got litigation, and you have got damages going against you; and it is pretty hard to work on a 5 or 10 per cent basis, because you have always got those things to make up. You have suits of fifteen and twenty thousand dollars, and you have got to fight them. You can not let them go and secure a judgment against you; and you have got to contend with all those things in coal mining.

Mr. MARTIN. Will you permit me a question or two, Mr. Gebo?

Mr. GEBO. Yes; I will be only too glad to answer whatever I can.

Mr. MARTIN. I have understood you to say that the supply of coal in that intermountain western country is adequate to supply the country tributary to it for many years if it be developed and operated. Is that right?

Mr. GEBO. Yes, sir.

Mr. MARTIN. You think it will supply it for very many years to come?

Mr. GEBO. I believe it would supply all of the United States for a thousand years. You have no idea of the vast quantity of coal there is out in that country. There is coal for miles.

Mr. MARTIN. Now, then, just in a word—we have drifted a good deal away from your original thought—

Mr. GEBO. Yes.

Mr. MARTIN. In a word, state as briefly as you can the reason why an adequate supply is not coming to the people of that section at the present time.

Mr. GEBO. What is the question?

Mr. MARTIN. State as briefly as you can the reason why it is not being developed and the people supplied with coal adequately at the present time.

Mr. GEBO. I have stated that several times now. The reason that it has not been operated and developed and opened is because in the past we could not get capital into that country to develop the mines, and there were no railroads. Now the railroads are built, and we can get capital in there, and the land is all tied up, and we can not do anything.

Mr. MARTIN. It has been partly owing to lack of transportation and partly to the nature of the law?

Mr. GEBO. The nature of the law; and the main drawback was the lack of capital. If we could have gotten the capital to open the coal mines we could have gotten the railroads.

Mr. MARTIN. Now, one more question: How important is the matter of preliminary prospecting in the discovery or development of veins? That is to say, if the Government should adopt a lease system that was satisfactory in its general terms, would the country be likely to be prospected in a way to open up the veins far enough to apply the lease system to them?

Mr. GEBO. Well, no; it would stop all prospecting, because the small prospectors that have been prospecting that country out there are not men of means. They only have what is called a grubstake—that is, a strip of bacon and a sack of flour—and they go out into the hills and prospect. There has been no coal in that country that has ever been found by geologists. The prospector is the one that has opened up everything in that country. If we stop all that, who would prospect the ground? That is what I would like to ask

for my own information. The Government would not do it, and the companies would say: "Well, if there is anything out there, you show it to us," just the same as it has been done. I have driven tunnels on this property that I speak of right now, near Thermopolis—I drove some tunnels there 600 feet and opened them up vertically, and spent about \$30,000 before capitalists would say that they would make any investment.

Mr. MARTIN. Has the fact that the prospector can become a purchaser of these coal lands, if he complies with the law, been the inducement that has prospected and developed those coal veins?

Mr. GEBO. Oh, yes. It is not so very hard for a man to raise between himself and a few of his neighbors \$1,600 or \$3,200, with the prospect that he can sell his mine to somebody.

Mr. MARTIN. If that inducement were removed, do you think those coal areas would be developed?

Mr. GEBO. Why, I think so. I know it would.

Mr. MARTIN. I say, if the prospector's inducement to buy the land is removed, do you think the country would still be developed?

Mr. GEBO. I have heard a great deal about "putting the lid down" here in the East, and I never understood that term; but I believe that if it applies to shutting anything down, it would be putting the lid on that country out there. I believe that.

Mr. MARTIN. You do not think, in other words, that if the prospector is eliminated the coal areas in that western country will be developed?

Mr. GEBO. I suppose, gentlemen, that right in that section of the country there, in Montana and Wyoming, in actual work there, counting a man's work at \$3.50 a day, which you can get anywhere—you can go into any mine and get \$3.50 and \$3.60 a day, and go to work at any time—I believe the amount of labor that is being done would amount to \$100,000 every year.

Mr. MARTIN. Prospecting?

Mr. GEBO. Prospecting, and nothing else.

Mr. MARTIN. That is, in one State?

Mr. GEBO. In Montana and Wyoming. I know it would be fully that much.

Mr. MARTIN. You think, in other words, that the independent prospecting that is carried on by the prospectors in those two States on their own account in their efforts to discover valuable veins of coal would amount to \$100,000 a year?

Mr. GEBO. More than \$100,000, if you call a man's time anything, in view of the fact that he can go to work at any time.

Mr. MARTIN. I think that is all.

Mr. SMITH. Let me ask a question at that point. Under the system which you recommend of selling outright four or five thousand shares to one concern, who would do the prospecting?

Mr. GEBO. The prospectors would go on just exactly the same as they do now, because a man could buy 160 acres or he could buy more. I do not think the bar ought to be put down there.

Mr. SMITH. Then you would allow the prospector who discovered a vein of coal to enter 4,000 or 5,000 acres?

Mr. GEBO. I would allow anybody to do that who could pay for enough to put a plant in there or I would allow a man, if he felt

that he could pay for 160 acres, to go on just exactly the same as it is going on now, only that if he wanted to buy enough more—

Mr. SMITH. Five thousand acres?

Mr. GEBO. Five thousand acres, say, that he would be allowed to do so.

Mr. SMITH. Then you would allow a prospector who found a vein of coal to buy four or five thousand acres if he had the price?

Mr. GEBO. Yes, sir; I would, for the reason, gentlemen, that if you stop prospecting in that country you stop the development of the country so far as coal is concerned.

Mr. SMITH. Would you think it advisable for the Government, in selling 5,000 acres to attach a condition that it must be worked within a stated time?

Mr. GEBO. Yes, sir; I do believe in that. I want to be fair about this thing. I do believe that if a company were to buy 5,000 acres it should be compelled to equip its plant, say, in three years, if that would be sufficient in which to equip that property, because when men go and buy four or five thousand acres they know it is more valuable for coal than anything else, or else they would not buy it. I believe that anybody who would go and buy 5,000 acres of Government land, knowing that it is coal land and knowing what they are going into, should be compelled to equip that mine inside of three years and make it up to, say, a certain tonnage. I believe that. I do not believe it is coming to such a state of affairs that they are going to buy up the entire country, as it is claimed. I am not familiar with that, but if that is true I do not believe myself that it ought to go into the hands of a few corporations.

Mr. MONDELL. Up to this time, however, Mr. Gebo, it has not paid anybody in that western country to pay ten and twenty dollars an acre for coal lands except with a view of immediately working them?

Mr. GEBO. Oh, that has always been done, Mr. Mondell; because you can not get anybody to put money into coal lands and let them lie idle. Take it in the State of Colorado, gentlemen: The Maxwell land grant there was all underlaid with coal, and they sold 200,000 acres of that at \$3 an acre, and it was known that it was coal land, prospected beforehand to show that it was coal land, because they did not want to let it lie there and pay their taxes on it and get nothing from it.

Mr. GRONNA. You say the Maxwell land grant—is that the same Maxwell that had so much to do with irrigation?

Mr. MONDELL. No; that is another Maxwell.

Mr. GEBO. I do not know anything about that.

The CHAIRMAN. It was an old Mexican by the name of Maxwell. Now I would like to ask you one other question, and that to the relative economy in the saving of coal under the leasing system and under the ownership system, as to which the most waste would occur in. My own experience in Iowa has been, as agent and attorney for parties that have been leasing coal of the coal companies, that when they found that any part of their mine was pretty hard to work, that the roof was defective, or that there was a squeeze under it, they would abandon that part and let it go. It was not their coal; they did not have to pay for it unless they took it out; and they would let it go and work in the other part of the mine,

and would go around and pick out the best of the mine, and fight it out with the lessor as to the coal that had been lost. In other words, if the coal had been theirs, they would have taken it out at a very considerable sacrifice; but as they avoided paying the royalty unless they took it out, they would take out only the easy coal under the lease system. That has been the result of my observation in the part of the coal region where I live.

Mr. GEBO. Is that going on right now, or has it been some years since?

The CHAIRMAN. That has been the history of the past there. Of course there are always provisions in the lease forbidding anything of that kind excepting in cases of necessity, where the words "workable coal" comes in. But the coal lessee is under the ground; he has his engineers; they say, "This part of the coal is not workable;" and they abandon blocks of coal five or ten acres in size, under leases.

Mr. MONDELL. Whereas had the lessee owned it, you think he would have worked it?

The CHAIRMAN. He would not have wanted to have lost the coal, because if he did not work it he would not get anything for it.

Mr. GEBO. As a miner and an operator, the only way I could explain that would be this: As far as I am personally concerned, I have never yet seen a mine manager or a mine superintendent who did not try to do the same thing—to get out all the coal he possibly could, and in doing so the very last coal you would get, Mr. Chairman, would be the cheapest coal. If you worked like you did in the old system, up to six years ago, where you might go to the boundary and then come back with your pillars, of course they would be crushed; they found that out.

But now you take everything as you go, and you do not wait until it crushes; you let it down, and it takes the weight off of the balance of your mine. So that I do not think that would apply to mining.

The CHAIRMAN. We have some cases there, and they no doubt exist elsewhere, where there are faults. A man leases 160 acres of coal, and in the case of 10 acres over in one corner there is a fault 100 yards wide, cutting it off. Now, if the persons who are working the mine owned the coal, they could afford to tunnel through that fault, and take it out rather than lose it. If they do not have to pay the lessor for it unless they take it out they will abandon it. That has been our experience in the coal region where I live.

Mr. GEBO. Do you not think, then, Mr. Chairman, that under those conditions it would be better for the companies to own their own lands? The other way it would be litigation all the time; and it is a pretty hard thing to get a company to take a lease out in the country that I am speaking of now, anyhow, and expect to be dictated to by the Government every day, through its inspectors. They might both be honest in their opinions, and yet not either one of them be right, so far as that is concerned, and be compelled to do things that would practically tie their lands up.

Mr. MONDELL. I have in mind one mine in Wyoming where they are constantly striking rolls.

Mr. GEBO. Oh, we do out in that country.

Mr. MONDELL. And where it is just a question whether they are going to get anything when they get through that roll, and it will cost from a hundred to \$2,000 to get through it. Under the system

of ownership they will go through that, because they own the coal beyond there, and it does not cost them anything after they get it except what it costs to take it out. Under the lease system, do you think they would clean that coal land as fully as they do under a system of ownership?

Mr. GEBB. Well, I do not know. As I say—

Mr. VOLSTEAD. Would not that depend entirely upon what the royalty was? If the royalty was practically nil, it would be the same as if you owned it, would it not?

Mr. MONDELL. Well, here is the idea: Here is a concrete proposition. A man is paying 10 cents a ton royalty—

Mr. VOLSTEAD. Well, nobody has suggested paying 10, have they?

Mr. MONDELL. Oh, yes; these gentlemen who are suggesting leasing are all talking about some such royalty.

Mr. VOLSTEAD. I think that is too much.

Mr. MONDELL. When the forest reserves were first established in my State 50 cents per thousand was considered a fair stumpage price, and now they are charging as high as \$5.50; and in time would we not have a like increase in coal royalty under a Government leasing system? The people in some parts of my State are paying \$7 or \$8 a thousand more for their lumber than they paid private individuals before the Government came in and established a monopoly. If in mining under a lease a man strikes a fold or fault and imagines he has a few acres of coal beyond it, and it is to cost him hundreds or thousands of dollars to get through that fold, he will hesitate to go through the fold if he has to pay 10 cents a ton for the coal when he gets through, under a lease, when he might not hesitate at all to go through it if after getting through the coal costs him nothing, except what it costs to take it out. Is not that clear?

Mr. GEBB. Yes; that is clear. I believe that a lease proposition would entirely tie that country up, because I can cite you several cases now, if you will permit me. At Cokedale, Mont. (there is a piece of coking coal there), I worked at that place about twenty-two years ago. The coal is badly broken up and faulted. The people running that plant expended over \$1,200,000 on it, and on account of the very thing we speak of now—on account of going through faults all the time—they took their machinery out last year. At Horr, Mont., again, exactly the same condition exists. They have 250 coke ovens there and have been making coke, but it costs so much to drive through those faults that they have had to abandon that also. The country is all faulted out there. It is not like it is in Iowa and other parts of the country.

Mr. VOLSTEAD. Let me ask you a question along this same line. Supposing that the royalty was fixed at half a cent a ton; that, I understand, on a 6-foot vein, would not make over \$50 an acre. Would the additional cost of half a cent a ton make any practical difference in the working of the mine whether you owned it or leased it?

Mr. GEBB. Half a cent a ton would not amount to anything, but I want to say this again: The difficulty would be to get the money—to get capital that would put in the necessary plants there.

Mr. VOLSTEAD. Yes; but that was not the question.

Mr. GEBB. But you have got to have an answer to that question. If you answer one you have got to have an answer to the other.

Mr. VOLSTEAD. I know; but that was not the question I asked you about.

Mr. GEBO. No; half a cent a ton would not make the royalty anything, really, when it comes down to that.

Mr. VOLSTEAD. That royalty would make \$50 an acre on a 6-foot vein.

Mr. GEBO. Yes. That would not stop them from developing the country, except to this extent: What capitalists want when they put in a plant and find that it will cost them half a million to a million dollars is to feel that they own something, and they do not own anything when they have the land under a lease.

Mr. VOLSTEAD. Supposing that you have paid, for instance, \$20 an acre in the shape of royalty. You are permitted under the lease to hold that land for the length of the lease—say fifty years—provided you continue to work the mine. Would there be anything in that kind of a lease to prevent capital from going in?

Mr. GEBO. I still believe that it would make capital hesitate, because they would have nothing to sell if they wanted to.

Mr. VOLSTEAD. Supposing we permit a sale of the lease to other parties, for instance, that did not have coal mines or that did not own any larger amount than a certain number of acres that we might limit?

Mr. GEBO. That part is something that I could not say about; that I would not be at all familiar with. The end that I do understand thoroughly is the end that you can not get capital to develop that country and open up mines unless they own them after they have spent their money and put their plant in, because when the plant is in it only represents so much money, and you could not sell it again under a lease. Now, whether the capital would come in is the question. If capital would come in and develop that country in that way and open up those coal fields there the probabilities are that would be all right.

Mr. VOLSTEAD. You say you are willing to have conditions requiring continuous work?

Mr. GEBO. That part I still repeat—that if a company was to buy 5,000 acres of that coal land they should be compelled to put in a plant and work it.

Mr. VOLSTEAD. And work it?

Mr. GEBO. Compelled to put in their plant. Now, then, there may be conditions that would come up so that they could not work it, as in places where I tell you now that they have been withdrawn, and all that; but if any company puts in a half a million dollars to a million dollars on that kind of a proposition they are going to work that proposition. You understand that just as well as I do. They will work it.

Mr. MONDELL. Did you ever hear of any coal company anywhere on earth not mining when there was a market for coal?

Mr. GEBO. Oh, no; that is out of the question.

Mr. MONDELL. Did you ever hear of anything of that kind?

Mr. GAINES. Did you ever hear of a railroad company owning a whole lot of coal lands and working just enough to keep the price of coal up to a certain outrageous figure, and spreading out and buying other mines and closing them up?

Mr. GEBO. I have heard of it here in Pennsylvania and Ohio and Virginia and those places.

Mr. GAINES. Now, let me ask you a question, going back to what you said a moment ago on the question of leases: In speaking about the question of leasing a moment ago you said that the leasing system would not do, because the people would not want the Government officials coming there every day and meddling with their business and running their business. Now, the Government would not send its agents there every day. That would be silly and ridiculous, if you were doing your duty. But the conditions would be something like this: I take it that first you would work the mines. That is the *sine qua non*. That mine must be worked to supply the people with coal. Second, you pay a reasonable royalty. At the end of a certain time you might have the legal right to buy the land in fee simple, and in the meantime the Government would be guarding against a monopoly. Of course, you have the right to dispose of it. Now, how in the world would that embarrass you in getting capital to go out there and develop the property?

Mr. GEBO. I have told you as nearly as I could, gentlemen; and if it is absolutely necessary, if you will go down to New York with me, I will take you to capitalists that will tell you they would not put money in a lease proposition.

Mr. GAINES. But what is impracticable about it?

Mr. GEBO. They absolutely say that they would not put any money out in that country into a coal proposition unless they owned the land. Now, what are you going to do?

Mr. GAINES. Is not that the next thing to owning it?

Mr. GEBO. It may be the next thing, but it is not the same thing.

Mr. GAINES. Is it not the next thing to owning it, with the right to buy it?

Mr. GEBO. I am speaking of what I have done ever since this withdrawal has been made, gentlemen. I can show you reports that I made ten years ago, saying that "there will be a market for this coal in the near future and now is a good time to go in and open up some mines." I have worked on that for ten years straight and I have not been able to get the capital. They see now that there is a market like I said was coming, and now they say: "If we do not own the land we will not put the capital in." And they have not been doing it up until now, and now the Government is putting in another condition.

Mr. MARTIN. Possibly, Mr. Gaines, they could be educated to that in time.

Mr. GAINES. Have you ever worked under a leasing system?

Mr. GEBO. No, sir.

Mr. GAINES. Have you ever seen anyone who had any experience in the leasing system?

Mr. GEBO. I have been around mines; yes, sir.

Mr. GAINES. Then it is a mere matter of opinion upon your part and the part of the gentleman with whom you have talked that the leasing system is not the system to be used out West? It is pure and simple opinion, is it not?

Mr. GEBO. The bulk of the lease system is where there is already a plant in. There may be cases where they have had to put in their plant on a lease, but I do not know of any.

Mr. GAINES. You say the bulk is what?

Mr. GEBO. The bulk of all the leases that are made is where there has been a plant already installed, and they have been working for years, and have come over to a territory that they could lease cheaper than they could buy, and they have leased it and are working it along with their own to-day.

Mr. GAINES. What are the conditions of those leases?

Mr. GEBO. So much a ton.

Mr. GAINES. They must continue to work the mines, must they not?

Mr. GEBO. Oh, no; oh, no. You could not get anybody that would tie themselves down in that way in any country. No, Mr. Chairman, they would not do that.

The CHAIRMAN. When they work under a lease there is a provision that they shall pay so much a ton, usually 6½ cents a ton, and then that if they do not work they shall pay at least a certain minimum royalty anyhow; and generally there is the right to recoup that royalty out of the coal subsequently mined. That is the usual system.

Mr. GAINES. Had any one of the gentlemen whom you have talked about here this morning on this lease question ever worked under the lease system?

Mr. GEBO. No; and that is what I am trying to get at—you can not educate them to think that they would.

Mr. GAINES. Exactly. Then such a man has gone and made up his mind against a lease system when he himself, including yourself, has never worked under the lease system.

Mr. GEBO. The way he gets at it is something like this—I want to state this, as nearly as I can, so that you will know just exactly what I am up against—"Gebo, if I put my money in there, and put my half million dollars, or a million, or whatever the thing may be, in there, I want to own that property, so that if I want to sell it I can sell it."

Mr. GAINES. We give him the right to sell it.

Mr. GEBO. But you only give him a lease to sell. He can not give a deed for it.

Mr. MONDELL. An American farmer does not have to have ever been a renter in order to be indisposed to have no further claim on the property that he is improving than that of a lessee. The American people have been educated to believe that they ought to own the property they improve.

Mr. GEBO. That is what I have met with, as I say, in talking to these people.

Mr. MARTIN. Could you furnish to the committee, Mr. Gebo, the production of coal—that is, the annual coal output of those various eight or nine western States to which you have referred over the period of the last five years, so that we will know just exactly what has been done in the way of production?

Mr. GEBO. Yes; I will do that, because I know that there are five of those States that are producing less than they were five years ago.

Mr. GAINES. If it is convenient, if you can get hold of those Canadian laws, I wish you would put them in, too.

Mr. GEBO. I can not get a copy of the laws. I do not think I would have time to get them here, but I know what the laws are.

The CHAIRMAN. We can get a reference to that from the Library.

Mr. GEBO. I know what they are, because I bought 19,000 acres that way, and I am ready to answer any question or give any data that I have. I just want to get at this thing so that the committee will understand my view of it.

Mr. GAINES. I think you can give us a great deal of information.

Mr. GRONNA. I appreciate the testimony of the witness very highly. In my State, North Dakota, you are familiar with the lignite mines. They are small mines, of course, and it is not a commercial coal. I have talked with some of the miners—that is, those that hold and operate the mines—and they claim that it is almost impossible for them to get cars—that is, the railroad companies are not willing to give them a sufficient number of cars—and they also claim that they want to make a long haul instead of making a short haul within the State. Do you have trouble of that kind in other States of the West?

Mr. GEBO. Well, you understand that in Dakota, your State, and a good deal of our coal in our State, is a coal that you have got to take from the mine right to market. The shipment starts in right about the 1st of September, and there are times in your State more than with us, you know, when the cars are used everywhere, and they can not get all the cars they need. But if they go on until after the first of the year they can always get plenty of cars, you know. There are just those three months there when everybody wants to get coal. Now, if you could get a coal like we have in that country, that you could stock up in the summer time, as they do at Duluth, it would be a different proposition. Two million eight hundred thousand tons were stocked there last year. If it was not for that, the people of the States of Minnesota and Dakota would have to emigrate out of there, if they could not get the coal that has been stocked at Duluth, that comes there from Ohio and Pennsylvania.

What we want out there is to open the mines of coal that you can stock and mine in the summer. There is no State in the Union that can supply herself by mining just in the winter. The State of Illinois can not do it. There is no State in the Union that can do it. And that is the trouble; that is the situation on the railroads now at Sims. In 1897 they abandoned it after building those brick cottages and that brick hotel and everything. They opened up quite a plant, but they could only use the coal in the wintertime, and they abandoned it and leased it to that old gentleman that is there now.

Mr. MARTIN. We are greatly obliged to you, Mr. Gebo.

Mr. GEBO. I believe that if you gentlemen could see that country and see the condition that exists it would impress you more than anything any man could tell you.

(The committee thereupon adjourned until Wednesday, January 16, 1907, at 10.30 o'clock a. m.)

WASHINGTON, D. C., *January 15, 1907.*

To the HOUSE COMMITTEE ON PUBLIC LANDS,
Washington, D. C.

GENTLEMEN: I herewith submit to you the output of coal for the several States, which you asked me to furnish. I have taken the six years from 1900 to and including 1905, showing the output for each State.

You will please notice that in the Western States, where the Government owns the land, that the increase in the output has been very small and in several instances less than it was several years ago, while in Illinois and West Virginia, where the lands are all in private hands, the output has increased one-third in that time.

Respectfully submitted.

S. W. GEBB.

Output of coal of the different States from 1900 to 1905, inclusive, and the tonnage each year.

MONTANA.

1900	1,661,775
1901	1,396,081
1902	1,560,823
1903	1,488,810
1904	1,358,919
1905	1,500,000
Total output	8,966,408

UTAH.

1900	1,134,903
1901	1,387,256
1902	1,641,436
1903	1,762,187
1904	1,563,274
1905	1,602,528
Total output	9,091,584

NEW MEXICO.

1900	1,299,299
1901	1,086,546
1902	1,070,373
1903	1,541,781
1904	1,452,325
1905	1,600,000
Total output	8,070,324

WYOMING.

1900	3,941,590
1901	4,382,997
1902	4,760,070
1903	4,602,929
1904	4,996,828
1905	5,446,525
Total output	28,111,139

NORTH DAKOTA.

1900	129,883
1901	166,085
1902	226,511
1903	278,645
1904	278,645
1905	300,000
Total output	1,179,769

WASHINGTON.

1900	2,418,034
1901	2,504,190
1902	2,690,789
1903	3,190,477
1904	2,915,689
1905	2,813,898
Total output	16,533,087

OREGON.

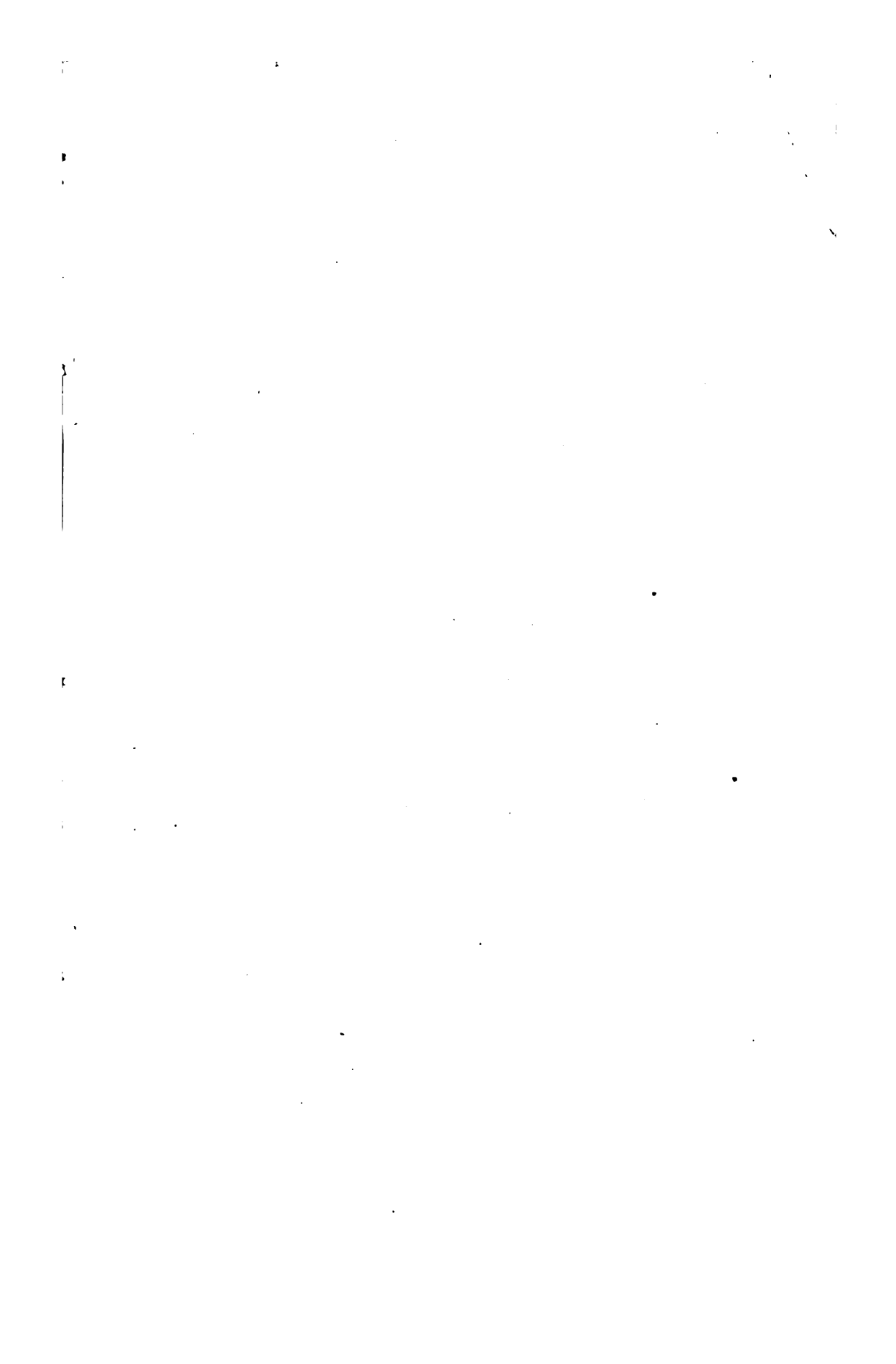
1900	58,886
1901	60,011
1902	65,646
1903	91,144
1904	111,540
1905	125,000
Total output	512,227

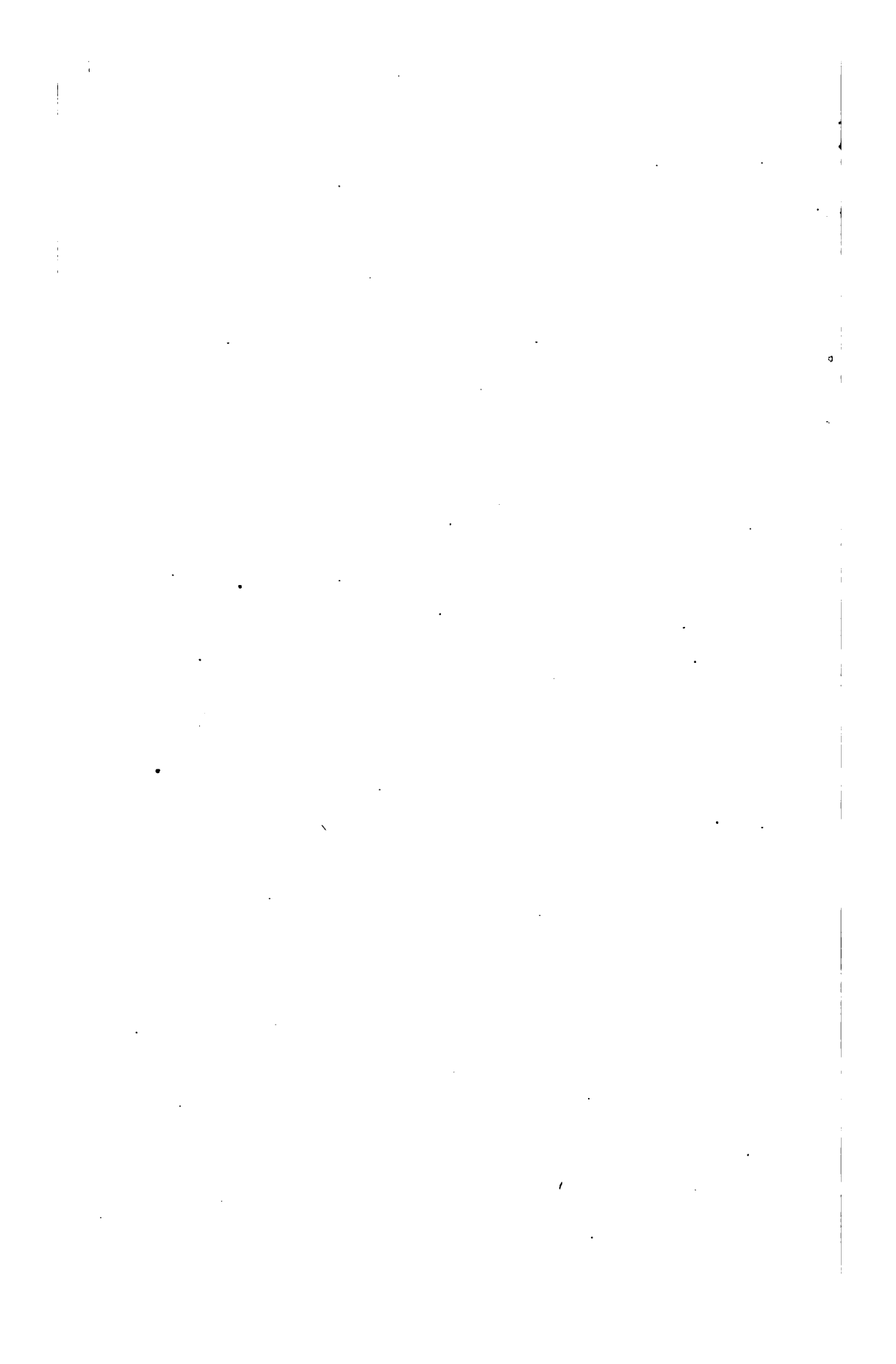
ILLINOIS.

1900	25,153,929
1901	26,616,928
1902	30,021,300
1903	34,962,484
1904	36,957,104
1905	39,941,993
Total output	193,653,738

WEST VIRGINIA.

1900	22,647,207
1901	24,068,402
1902	24,570,828
1903	29,337,241
1904	32,602,819
1905	37,500,000
Total output	170,728,495





COAL LANDS AND COAL-LAND LAWS OF THE UNITED STATES.

COMMITTEE ON THE PUBLIC LANDS,
Wednesday, January 16, 1907.

STATEMENT OF E. A. HITCHCOCK, SECRETARY OF THE INTERIOR.

Committee called to order at 10.40 a. m.

The CHAIRMAN (Mr. Lacey). Mr. Secretary, the committee have directed me to invite you to appear this morning for the purpose of giving your views in relation to the investigation upon the subject of coal-land laws, the question of the abuse of the laws, if any, and what modification, if any, is, in your opinion, desirable or necessary. And also what abuses, if any, there have been of other laws in connection with the taking of coal lands in violation of the coal-land laws—the whole subject, in other words, is before us.

Secretary HITCHCOCK. Mr. Chairman, this is a pretty big subject. It covers a good deal of ground, literally and figuratively. I would state, in the first place, with reference to the previous order of the President, that yesterday I received an order from him directing as follows. I will leave with you a copy of the communication which I addressed to the Commissioner of the General Land Office, which includes the President's order and which is as follows: "By direction of the President, all orders heretofore issued withdrawing public lands from entry under the coal-land laws are hereby amended as follows: 'Nothing in any withdrawal of lands from coal entry heretofore made shall impair any right acquired in good faith under the coal-land laws and existent at the date of such withdrawal.'"

I think that covers the ground that you wanted information upon so far as the orders are concerned.

Mr. MONDELL. As I understand it, under that modification those who have made declaratory statements may now proceed to make their final proofs.

Secretary HITCHCOCK. Any right acquired in good faith under the coal-land laws and existent at the date of such withdrawal.

The CHAIRMAN. Another suggestion occurs to me in connection with that: Since last July there has been a suspension of proceedings, and matters have been held up under the President's order from July down to yesterday. That time, I apprehend, would not be deducted.

Secretary HITCHCOCK. This order protects a man in any right acquired in good faith up to the date of that order.

Mr. MONDELL. And of course gives him the time allowed under the law without deducting the period during which his entry was suspended.

Secretary HITCHCOCK. In other words, this order now attempts to preserve to that man his legal rights, whatever they may be.

Now, gentlemen, about public lands in general, I think it best to put in the record this statement, which I will read to the committee. [Reads:]

[Memorandum.]

THE PUBLIC LANDS.

When the United States Government started in the public-land business, its assets aggregated, in round numbers, 1,850,000,000 acres. On the 1st of July, 1906, there remained, in round numbers, 792,000,000 acres, of which approximately 368,000,000 are in the district of Alaska. Of the 424,000,000 acres approximately remaining in the United States proper by far the greater portion is arid in character and is located in the States and Territories affected by the reclamation act.

How to protect and preserve our rapidly diminishing public domain for homes for actual settlers is the problem that now confronts and will continue to confront those having to do with that question until it is settled and settled right.

The reclamation act will do much in this direction, but not all. The engineers of the Reclamation Service have estimated that there is probably water enough in sight to irrigate 50,000,000 acres of these arid lands. That fact in connection with the further fact that the Secretary of the Interior has the power to fix the extent of the farm unit and hence determine the acreage that may be taken of these lands under the homestead law will supply a great many homes. But more than this must be done, and in this connection your attention is respectfully called to the following suggestions:

First. The repeal of the timber and stone act.

Second. The repeal or material modification of the commutation clause of the homestead law.

Third. The repeal or material modification of the desert-land act.

As to the first suggestion, I desire to state that said act was passed at a time, namely, June 3, 1878, when the character, extent, and value of the timbered lands of the Government were very inadequately understood by those in authority. They were, as a rule, remote from transportation facilities and almost impossible of access. All that is now changed, and land that is worth many times more the Government is compelled to sell for \$2.50 per acre. As stated in the President's message of December 17, it has demonstrated conclusively that its effect is to turn over the public timbered lands to great corporations. It has done enormous harm and is no longer needed. In my annual reports for the years 1901 and 1902 I stated that—

For several years this Department has been urging the enactment of legislation to regulate the sale and use of timber on the unappropriated and unreserved public lands. The experience of this Department has been that the act of June 3, 1878, which authorizes residents of certain States and Territories therein named to cut and remove for building, agricultural, mining, and other domestic purposes any timber growing on mineral lands under rules and regulations prescribed by the Secretary of the Interior, and the act of March 3, 1891 (26 Stat. L., 1093), as extended by the acts of February 13, 1893 (27 Stat. L., 444), and March 3, 1901 (31 Stat. L., 1436), authorizing the residents of the States and Territories therein named to take timber from nonmineral pub-

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lic lands in such States and Territories for use therein for agricultural, mining, manufacturing, or domestic purposes, under rules and regulations prescribed by the Secretary of the Interior, *and the act of June 3, 1878 (20 Stat. L., 89), known as the timber and stone act, will, if not repealed or radically amended, result ultimately in the complete destruction of the timber on the unappropriated and unreserved public lands.*

and after enumerating some instances of its injurious operation stated—

that said act is a direct encouragement of depredations upon the public timber, and in the interests of that valuable portion of the public domain should be unconditionally repealed.

In my annual report for 1903, after repeating what is above quoted and enumerating a number of the methods that have come to the knowledge of the Department by which, under the operation of said law, title was fraudulently obtained to the public lands, I said:

Notwithstanding the extreme care exercised by this Department to protect the public timbered lands from unlawful acquisition under this act, the entries thereunder have nevertheless, as stated, increased vastly in number.

The act, when legitimately observed and followed, affords such facilities for the acquisition by individuals and corporations of vast bodies of the public timbered lands that it is one of the greatest menaces on the statute books to-day against the avowed policy of the Government to preserve the remaining public lands for homes for actual settlers.

Further experience in the administration of this law confirms the opinion heretofore expressed as to the necessity for remedial legislation and causes me to renew with earnestness the recommendations above mentioned on this subject.

In this connection it is proper to state that the forest lieu land selection law, which was repealed only after repeated and persistent recommendation by this Department, was the direct medium through which was perpetrated those extensive land frauds on the Pacific coast known as the "Hyde and Benson frauds," involving hundreds of thousands of acres of the public domain. Likewise it may be said that the timber-and-stone act has been the direct medium of those extensive frauds in the State of Oregon that have recently resulted in the conviction of Representative Williamson of that State.

Under this head the Public Lands Commission in its second partial report, which was submitted by you to Congress February 13, 1905, said:

The recommendations made for the repeal of the timber and stone act in the previous report are renewed and emphasized. Additional facts showing the destructive effect of this law have strengthened the belief of your Commission that, on the whole, its operation is decidedly harmful. This law has been made the vehicle for innumerable frauds, and the Government has lost and is still losing yearly vast sums of money through the sale of valuable timber to speculators, and hence indirectly to large corporations, at a price far below their actual value. From the passage of the act, June 3, 1878, to June 30, 1904, 55,372 claims for 7,596,078 acres of timber land were patented under its provisions, and on last date 7,644 claims for 1,108,380 acres were pending. Many transfers of land patented under this law are made immediately upon completion of title, often on the same day, to individuals and companies. In this way a monopoly of the timber supplies of the public-land States is being created by systematic collusion. Under the existing rules and practices of the courts it is difficult to prove this collusion, except in cases of open fraud, and it is therefore practically impossible to secure conviction. Furthermore, under bona fide compliance with the actual provisions of the law the effect is almost equally bad. The law itself is seriously defective.

It has been urged in behalf of this act that it enables poor men to enjoy the bounty of the Government by obtaining tracts of timber which they can afterwards sell with advantage. A careful study seems to show, on the contrary, that the original entrymen rarely realize more than ordinary wages for the

time spent in making the entry and completing the transfer. The corporations which ultimately secure title usually absorb by far the greater part of the profit.

In addition to the direct loss to the Government from the sale of the lands far below their real value, timber lands which should have been preserved for the use of the people are withdrawn from such use, and the development of the country is retarded until the corporations which own the timber see fit to cut it. The bona fide settler who comes into a country, the timber resources of which have thus been absorbed, may be very seriously hampered by his inability to secure timber except from foreign corporation. All of the timber land has often passed beyond his reach, and the development of his farm may be retarded and his expenses greatly increased because he can no longer obtain the necessary supplies of fuel, rails, posts, and lumber.

As in the case of other laws, instances of the beneficial operation of this act may be cited, but when it is considered from the point of view of the general interest of the public it becomes obvious that this law should be repealed.

On the subject of my second suggestion I made the following statement in my annual report for the year 1903:

The commutation clause of the homestead law does not present the same serious objections as the law above mentioned, for the reason that the timber and stone act requires no residence whatever on the land; this does, but the brevity of the residence required does not tend to carry out the purpose of Congress in the enactment of the homestead law, namely, the acquisition of homes and the building up of communities, but tends rather to encourage speculation in the public lands under cover of that law. After fourteen months' residence and cultivation and the payment for his land, the entryman is entitled to his patent, and is at liberty to leave the community, abandon his homestead, and allow it to remain unimproved for years—an impediment to the progress of the community in which it may be located.

and in my annual report of 1904—

The report of the Public Lands Commission is attached to and made a part of the report of the Commissioner of the General Land Office. The modifications of existing executive methods and the legislation recommended therein meet my approval, the same being practically what has been recommended in prior annual reports regarding the repeal of the timber and stone act, the amendment of the desert-land law, and the commutation clause of the homestead law, as well as the enactment of legislation for the sale of timber on public lands.

Under this head the Public Lands Commission, in its second partial report, expressed itself as follows:

In the preceding report a statement was made that our investigations respecting the operations of the commutation clause of the homestead law were still in progress. We were not at that time prepared to recommend its repeal. Investigations carried on during the past year have convinced us that prompt action should be taken in this direction and that, in the interest of settlement, the commutation clause should be greatly modified.

A careful examination of the districts where the commutation clause is put to the most use shows that there has been a rapid increase of the use of this expedient for passing public lands into the hands of corporations or large land-owners. The object of the homestead law was primarily to give to each citizen, the head of a family, an amount of land up to 160 acres, agricultural in character, so that homes would be created in the wilderness. The commutation clause added at a later date was undoubtedly intended to assist the honest settler, but, like many other well-intended acts, its original intent has been gradually perverted until now it is apparent that a great part of all commuted homesteads remain uninhabited. In other words, under the commutation clause the number of patents furnishes no index to the number of new homes.

To prove this statement it is only necessary to drive through a country where the commutation clause has been largely applied. Field after field is passed without a sign of permanent habitation or improvement other than fences. The homestead shanties of the commuters may be seen in various degrees of dilapidation, but they show no evidence of genuine occupation. They have never been in any sense homes.

Investigations have been carried on where the commuted homesteads are

notable in number. The records of some of the counties examined show that 90 per cent of the commuted homesteads were transferred within three months after acquisition of title, and evidence was obtained to show that two-thirds of the commuters immediately left the State. In many instances foreigners, particularly citizens of Canada, came into this country, declared their intention of becoming citizens, took up homesteads, commuted, sold them, and returned to their native land.

The reasons given for adhering to the commutation clause are diverse, and many of them are cogent when applied to individual cases. It is said, for example, that the commuter desires to raise money for use in improving his place. This is often true, but in the majority of cases the records show that the commuter immediately leaves the vicinity. The frequency of loans is traceable in many places directly to the activity of agents of loan companies, who are often United States commissioners also, eager, first, to induce settlement and then to make these loans on account of the double commission received. Later they secure the business which accrues to them through the foreclosure and transfer of the property. The true working of the commutation clause does not appear until after the foreclosure upon the maturity of the loans.

One significant fact brought out by the investigation is that a large portion of the commuters are women, who never establish a permanent residence and who are employed temporarily in the towns as school-teachers or in domestic service or who are living with their parents. The great majority of these commuters sell immediately upon receiving title, the business being transacted through some agent who represents his client in all dealings and prepares all papers.

The commutation clause, if it is to be retained to cover special cases, should be effective only after not less than three years' actual—not constructive—living at home on the land. Under present practice, the commutation period being fourteen months, six months of this time is generally taken to establish residence, so that only eight months remain. This time is usually arranged to include the summer, so that the shack built need not be habitable in severe winter weather, and the residence on the land may consist merely in a summer outing. Obviously it is essential that residence should be far more strictly defined. It is probable that lax interpretation and enforcement of the provisions of the law regarding residence is responsible for more fraud under the homestead act than all other causes combined.

It may be urged that the frauds which have taken place under the operations of the commutation clause are due largely to lax administration. The fact is that the precedents established by decisions rendered on special cases have so far weakened the powers of administration that additional legislation is necessary.

As to my third suggestion, the following excerpt is taken from my annual report of 1903:

This act, unless amended as recommended by the Commissioner in his report, by eliminating from said act the provision that permits the assignment of entries before final proof, should be repealed.

The right of assignment, as shown by the Commissioner in his report, is contrary to the fundamental principle underlying the public-land laws, that entries should be made for the exclusive benefit of the entryman and not for the benefit of any other person, and practically abrogates the restriction of the act limiting one person to one entry in a compact form, the actual limitation being 320 acres, which might embrace a number of noncontiguous tracts taken by assignment.

Without being so amended the law bears on its face its own condemnation in the facility it affords for the acquisition by individuals, associations, and corporations of vast bodies of the public domain, and is another menace to the avowed policy of the Government of preserving the remaining public lands for homes for actual settlers.

And in this connection your attention is called to the views of the Public Lands Commission as set forth in its second partial report, above mentioned, as follows:

In the preceding report the opinion was expressed that the desert-land law should, for the present at least, be allowed to stand, with a few changes in

detail. It was believed, with the experience of the past for guidance, it would be possible to enforce this law so that its essential provisions could be complied with. More careful analysis, however, of the operations of this act and of the practices which have grown up has led your Commission strongly to the conclusion that this law should be modified in essential particulars.

Your Commission recommended last year the repeal of the assignment clause. This provision has been made the convenient vehicle for evading the spirit of the law and for facilitating the acquisition of lands in large holdings. The law limits the amount which one person or association of persons may hold, by assignment or otherwise, prior to patent to 320 acres of such arid or desert lands. The most common form of attempted evasion of this requirement is for two or three individuals to form themselves into a corporation, each individual member of the corporation securing, by entry or assignment, 320 acres of such lands and the corporation as such 320 acres. These same individuals then form another corporation under an entirely different name and procure an assignment of another 320 acres, and this process is continued indefinitely.

The General Land Office has within the past year endeavored to put a stop to this practice by holding that a corporation or association of persons is not qualified to receive a desert-land entry by assignment where its individual members, either singly or in the aggregate, are holding 320 acres of such arid or desert lands. This ruling, if enforced, will tend to lessen the evils resulting from large holdings prior to patent, but it is not deemed possible to secure adequate control of this question unless the law prohibits assignments of desert-land entries. By repealing that provision of the law and requiring the claimant to show that he has made the entry for his own use and benefit and not for the benefit of any other person or corporation, and that he has made no agreement by which the title shall inure to any other person or corporation, the evils incident to large holdings of such lands under the sanction of law will be materially lessened.

It is a striking fact that these large holdings of desert land are not reclaimed and devoted to their best use. Three hundred and twenty acres of irrigable land is entirely too much for economical handling by one person. On the other hand, inspection shows that in the same locality and under the same climatic conditions the homestead entries, where not commuted, are reclaimed and utilized.

The desert-land act, as it stands upon the statute books, appears to have many features which commend it, but, as before stated, the practices governing it have largely nullified its good features and the resulting evils can not be fully overcome without legislation.

The area of the desert entry should be cut down from 320 acres to not exceeding 160 acres, and discretion should be given to the Secretary of the Interior to cut it down still further where it is apparent that intensive cultivation is practicable. A farm of 320 acres, if irrigated, is entirely too large for a single family, and its possession simply prevents other settlers from coming into the country. Furthermore, it makes land monopoly easy and induces speculation.

Actual living at home on the land for not less than two years should be required before patent. Your Commission can not understand why any settler should be given both a homestead and a desert entry, either of which without the other should suffice, under the law, to furnish him a home. The desert-land law should be a means of settlement and actual bona fide residence should be rigidly required.

The actual production of a valuable crop should be required on not less than one-fourth of the area of the entry. At present, as a rule, the greater part of the desert entries are never actually watered. Hundreds of desert entries were examined by members of the Commission in the last year and the great majority of them were found to be uninhabited, unirrigated, uncultivated, and with no improvements other than a fence. This applies to desert entries upon which final proof is now being offered and to other entries to which title has been given.

It is a fact that a very small proportion of the land disposed of under the terms of the law has actually been reclaimed and irrigated, and scrutiny of many hundreds of desert entries now passing to final proof shows that in the majority of cases these lands are not actually utilized, but are being held for speculative purposes. Owing to several causes, among which are the laxity of some of the State laws governing appropriation of water for irrigation purposes and the insufficiency of the water supply, considerable difficulty has

been encountered in administering that provision of the desert-land laws which requires a claimant to have a permanent water right based on prior appropriation. Very often the waters of a stream are exhausted by other appropriators before the time when the claimant goes through the form of posting notices, recording his claim, and complying with other essentials of the State law. Notwithstanding this, he furnishes the testimony of two witnesses that the water thus appropriated has been used in reclaiming his land and that the supply is adequate for that purpose. While this showing, on its face, indicates a compliance with law, the fact remains that the water supply, if any at all, is not sufficient to permanently reclaim the land.

The ownership of stock in a projected irrigation ditch which does not exist in fact, or the ownership of a pump temporarily installed, has often been accepted, in connection with such testimony, as proof of the possession of water. Many alleged irrigation ditches or reservoirs are familiar to members of the Commission which are utterly inadequate to irrigate a square rod, and upon the strength of such works patent has frequently issued to 320 acres of land.

Frauds committed through conventional forms of perjury and through lack of proper verification of the facts as to the reclamation of the land justify the taking of immediate and radical steps in the revision of the law. The law should absolutely require an actual adequate water supply, and the limits as to quantity should be defined.

In short, the law should render impossible the continuance of the practices by which desert lands without water, without cultivation, and without crops are passed into the possession of claimants.

I am aware that an objection frequently urged to the repeal of the timber and stone act and the commutation clause of the homestead law is that such action would destroy the chief contributors to the reclamation fund. The repeal, however, of the timber and stone act might be followed by such legislation as would enable the Government to dispose of the mature timber on its public timbered lands under such regulations as the Secretary of the Interior might be authorized to prescribe and the proceeds from such sales turned into the reclamation fund and the lands from which the timber was removed be disposed of under the homestead law in such manner as Congress in its wisdom might determine. The details of such a plan could of course be worked out by Congress. A bill which I reported to Congress in 1900, 1901, and 1902 and urged the passage of, copy of which may be found on page 177 of my report for the year 1902, and which was designated as H. R. 4371, Fifty-seventh Congress, first session, would, I think, with such amendments and modifications as would meet existing conditions, about fit the case.

As to what modifications should be made in the commutation clause of the homestead law and the desert-land act, I am of the opinion that the suggestions contained in the President's message of December 17, 1906, will meet that situation.

All of which is respectfully submitted.

Mr. FORDNEY. Mr. Hitchcock, I was not present when you were referring to the timber and stone act. What reasons do you give as to why the timber and stone act should be repealed? Will you kindly state them briefly?

Secretary HITCHCOCK. It is fully set forth in the statement which I have just read. I have included extracts from my own reports for several years past, as well as the report of the Public Lands Commission, which has been made; but I have referred to those reports more for the purpose of refreshing the memory of the committee as to the views of the Land Commission. As you know, the Land Commission consists of Commissioner Richards, Mr. Pinchot, and Mr. Newell.

Mr. FORDNEY. Is there any recommendation in reference to a change in the manner of locating with different kinds of land scrip?

Secretary HITCHCOCK. No reference to that at all.

The CHAIRMAN. Mr. Secretary, you have not discussed in this paper the mineral-land question.

Secretary HITCHCOCK. Not at all.

The CHAIRMAN. I would like to ask a question in relation to the commutation clause. I have a bill pending before this committee requiring actual residence of not less than two years, no deductions of any kind—I see you suggest three years. The law requires fourteen months. The Commissioner of the General Land Office held that that fourteen months was actual residence, no deductions of any kind. An appeal was taken to your office, and one of your predecessors many years ago held that the six months in which a party could delay taking possession after making his first papers would be deducted from the fourteen months, thus only requiring eight months.

Secretary HITCHCOCK. Yes, sir.

The CHAIRMAN. Now, with all due respect to your Department, I have always felt that that was a mistaken ruling and it might be relegated to the limbo of overruled classes like the soldiers' homestead ruling was. That was overruled, and the owners required to live on the land. It seems to me that that could be reached by a departmental order; in other words, it was a mistake.

Secretary HITCHCOCK. A departmental order is easy to issue, but it is a very difficult thing to get the evidence and make a commuter comply with the law. You have no conception as to the difficulty of that.

The CHAIRMAN. You could make it fourteen months instead of eight in practice?

Secretary HITCHCOCK. In practice; not by the law, not by administration.

Mr. GRONNA. I come from North Dakota, and we have a good many proofs. As a matter of fact, does not the Land Department hold that it does not require fourteen months' residence now?

Secretary HITCHCOCK. We do require it and do insist upon it; but you have no conception of the means that are resorted to to avoid that requirement.

Mr. GRONNA. As a matter of fact, the land officers, the registers, and receivers require from the homesteaders that make commutation proofs fourteen months' actual residence. I presume they have those instructions?

Secretary HITCHCOCK. Yes; they have those instructions, and this suggestion of extended time only increases the difficulty of the homesteaders evading the law. That is the nearest we can get to it. I think three years ought to be enforced rigidly. But when it comes to the tricks that are resorted to to defeat the law, the result is just as I have stated in my paper.

The CHAIRMAN. Have you made an estimate, approximately, of the amount of timber that would still be subject to entry under the timber and stone act on the public domain?

Secretary HITCHCOCK. I don't think we have; at least I have not it before me just now.

Mr. SMITH, of California. Do you mean that which is now outside of the forest reserves?

The CHAIRMAN. Yes; which might be taken lawfully under the timber and stone act at present.

Secretary HITCHCOCK. One great vital fact which this committee should remember is this: That when the law was passed there was 1,850,000,000 acres of public land available for distribution as the law might direct. To-day there are only 792,000,000 acres of that land, of which 368,000,000 acres are in the district of Alaska, leaving about 424,000,000 acres, approximately, remaining in the United States proper, by far the greater portion of which is arid in character and is located in States and Territories affected by the reclamation laws.

The CHAIRMAN. That is after deducting the 106,000,000 acres of reserved timber land in forest reserves?

Secretary HITCHCOCK. Yes.

The CHAIRMAN. The Government has taken over 100,000,000 acres of that?

Secretary HITCHCOCK. Yes.

Mr. MARTIN. To what date do you refer when you speak of the 1,850,000,000 acres of public lands?

Secretary HITCHCOCK. When we began; when the Government started in the public land business.

Mr. MARTIN. That has reference to a time antedating the homestead laws?

Secretary HITCHCOCK. That is the capital that we started with. Now it is reduced about one-half.

Mr. MARTIN. Of course, we have built up about 40 new States since that date, inhabited by fully 50,000,000 of people.

Secretary HITCHCOCK. That is true.

Mr. MARTIN. And the last condition, in that regard, is better than the first?

Secretary HITCHCOCK. From that point of view. But if there is destruction of this timber under the timber and stone act, and it should go on, it would be very disastrous. I know that some people think that we are not warranted in dealing with the hereafter, but I think we are.

Mr. MARTIN. I quite agree with you as to your views upon the timber and stone act. I think it ought to be repealed, doubtless. But still, is it not within your power by carrying out the forest-reserve system to practically reserve all important areas of public timber land owned by the United States?

Secretary HITCHCOCK. That has been carried on to an extent that I understand is subjecting the Department that has charge of that, the Agricultural Department, just now to severe criticism. They apply to us to reserve certain areas for forest purposes, and we know that that request is made that there may be careful examination, for two purposes, but primarily to preserve the forests to the people of the country; and the Government, by the result of their investigations, are doing that, and are glad to do it, and it is climbing up to enormous figures.

Mr. MONDELL. Is not the better way to preserve important timber areas to place them in permanently defined reserves?

Secretary HITCHCOCK. That would be one sure way, but it is meeting with great opposition. But, gentlemen, do not forget that if you let the timber and stone act remain and dispose of this magnificent

timber in certain parts of the country at \$2.50 per acre it will be an outrage.

Mr. MARTIN. Is it a fact that there is any considerable amount of magnificent timber not taken outside of the forest reserves?

Secretary HITCHCOCK. It is to the credit of the forest reserves that they have reached that point, but there are still large areas of timber in that condition.

Mr. SMITH, of California. Why isn't that included in the reserves?

Secretary HITCHCOCK. No doubt it will be included if it is possible to be done by the Agricultural Department.

Mr. SMITH, of California. The forest-reserve law has been on the statute books for about sixteen years.

The CHAIRMAN. Yes; since 1891.

Mr. SMITH, of California. I am asking this question in good faith, Mr. Secretary, and not in any spirit of criticism at all. Why is it that in sixteen years, with all of this criticism about the acquisition of timber land going on, they have not included every acre of it in forest reserves?

Secretary HITCHCOCK. Do you mean, Mr. Smith, by a general, a wholesale order adopted at once that all timber land should be included in the reserves; because that could be easily done.

Mr. SMITH, of California. I understand it is done by Executive order.

Secretary HITCHCOCK. That could be easily done by having an order issued to that effect; but in sixteen years, after careful examination as to the advisability of creating these reserves, they have set aside 100,000,000 acres. That does not come to us until the Agricultural Department has made examination and stated that they find that it is desirable that these areas should be withdrawn, not only to save the present growth of the timber, but from that growth take out the matured timber and sell it, and at the same time replace it with fresh growth.

Mr. SMITH, of California. We in the West, who are somewhat familiar with the boundaries of the forest reserves and the character of the country, know that included in this 106,000,000 acres there is an enormous amount of land that never is and never can be timber land in the sense of producing milling timber. It runs in my country away down on the Mohave Desert, where there are no bushes as high as this table, and never will be. On the other hand, if they have been thus liberal in the extension of boundaries, it seems to me strange that there should have been left outside of this protection during all these years any good milling timber.

Secretary HITCHCOCK. Do you mean it should not have been reserved?

Mr. SMITH, of California. Yes.

Secretary HITCHCOCK. But the object of the Forestry Division of the Agricultural Department is twofold, not only to protect the growing timber, which they are doing now, but to form cover even if that cover should be in the shape of underbrush or similar growth.

Mr. SMITH, of California. And from that standpoint I do not criticise it.

Secretary HITCHCOCK. That is to protect the water supply. And

in your section of the country, as well as elsewhere throughout the arid and desert lands, I think that is a very important matter.

Mr. SMITH, of California. To that degree we have not and do not criticise it at all. But I say, while the forest-reserve law has just been stretched to meet that beneficial condition, and one which I doubt was in the minds of the legislators when they call it a forest reserve, they seem to have left outside of that protection a considerable amount of good milling timber.

Secretary HITCHCOCK. I think that if Mr. Pinchot's attention was called to that that he would be anxious to reserve it.

Mr. SMITH, of California. Do not your reports that you have been making from time to time constantly bring to his mind the vast areas of milling timber being acquired fraudulently?

The CHAIRMAN. There has been another cause, the lieu-land provision, which is now repealed, but before that they were afraid to enlarge because you would take in a lot more of abuses of script.

Secretary HITCHCOCK. For four or five years I have hammered at that, and that was the cause of the development of this fraud that we have been talking about throughout the country, and which led to the discovery of the fraud of Benson and Hyde in Oregon and that Northwestern country. By this lieu-land scrip they had imposed upon the people of the country by selling it and then locating the land, and for which we hope sooner or later they will be landed in the penitentiary.

Mr. MONDELL. Mr. Secretary, this condition exists very largely over the western country and particularly in the intermountain States, but I will refer to my State specifically because I know the conditions there very well indeed.

In the first place, in most of the intermountain States, with the possible exception of some parts of Montana and Idaho, there are not and never have been any great areas of very valuable timber lands. The timber is generally scattering, of a more or less scrubby character, valuable for local uses, but not of a character which would encourage very large milling operations or warrant shipment into the general markets of the country.

In that region there have been reserved vast areas. In my State something like 11,000,000 acres out of 60,000,000 acres, including, I think, every considerable tract of public land that would be said to approach any considerable value in timber, and I understand this is true in all the West. Now, outside of those reserved areas in all the intermountain country particularly and in the coast region as well, there are rocky ridges running through the country and broken hill regions, more or less timbered, and not fit for agricultural purposes, strictly speaking, but of some value as grazing land, containing some little timber, and of some value to the homesteader and the settler.

These tracts are irregular in form and vary in size; they are to a considerable extent interspersed with valleys that may be cultivated, and are in many cases. Those timber lands are not, as a matter of fact, of any considerable value, and those are the classes of lands that in my State and largely elsewhere, I think, have been taken under the timber and stone act. Under that act it is impossible for the purchaser, under the law, to secure lands valuable for agricultural purposes when cleared, but he can and does secure the lands of the character I have described for what timber it contains for

a wood lot and to use for grazing purposes. The repeal of the timber and stone act, with a clause reserving to the Government all timber lands, would result in adding to the great reservations we now have an enormous area of such lands as I have described indeterminate in quantity and in all sorts of tracts throughout the country, which could never be disposed of, and from which the Government could never make any very considerable sales. Is it not better to dispose of such lands under a law like the timber and stone act and at a price which is as often above as below their value, rather than retain indefinitely those small scattered areas here and there, though they do contain some timber. I think all the gentlemen from the intermountain States will bear me out that very generally throughout that country the forest reserves now have included practically all of the best timber of the country, and that lands now remaining outside are the more rocky and sparsely timbered areas.

Secretary HITCHCOCK. Well, I can not answer that question as fully as I would like, Mr. Mondell, because this was transferred from the Department of the Interior to the Agricultural Department, and I am not familiar with the details on which they base their requests for these different withdrawals. But there is another feature that has been touched upon with reference to the timber and stone act that has to my mind a most important bearing. I allude, of course, to no particular State, or case, but it is the medium by which frauds are perpetrated in getting hold of coal lands. So long as coal lands are obtainable under the coal-land law at ten and twenty dollars, respectively, according to the nearness or distance from a railway, people are not going to buy and pay ten and twenty dollars per acre, when the timber and stone act is fraudulently made use of on State selections and they can get land at \$2.50 per acre.

Mr. MARTIN. Has any considerable amount of that been done?

Secretary HITCHCOCK. A great deal.

Mr. MARTIN. Could your Department furnish this committee information showing to what extent that has been done, and in what States and localities?

Secretary HITCHCOCK. It would be difficult to do that, but we would make an effort to do it if you desire. We, however, know it to be a fact.

Mr. MARTIN. Of course, the law would prevent any coal land being taken under the timber and stone act if knowledge of that fact could be found?

Secretary HITCHCOCK. Of course.

Mr. MONDELL. Mr. Secretary, you referred to the assignment clause of the desert-land law, and I notice that the President's Commission has referred to that several times. It occurs to me that in all of these recommendations there has been lost sight of a very important feature of the desert-land law, which I assume was the feature of the law that necessitated the assignment clause, and that is this: Under the desert-land law an entry of land in process of and partly reclamation can not be legally made, and in order to allow the consummation of a desert entry where the original entryman for any good reason is unable personally to complete proof, the assignment clause was devised.

When I was Assistant Commissioner, Mr. Secretary, there came to my observation this kind of a case: An entryman had settled

upon 320 acres of desert land. He was only able to irrigate about 200 acres of it—and by the way, your records show that last year the average desert entry was only about 160 acres, and of course the amount of land which could be actually irrigated much smaller. This entryman I refer to proceeded to the irrigation of his tract, and had it well under irrigation, over 100 acres of it being cultivated. He was on the second year of his entry when a condition arose that necessitated his removal from the locality. In that condition of affairs, not understanding the character of the desert-land law, he did as he would have done had he been a homesteader, he simply relinquished to the Government. The man who took the relinquishment paid \$3,000 for the improvements as I recall, supposing that he could make entry of that land under the desert-land law. Not being a qualified homestead entryman, when he submitted his application in good faith the Department refused to accept his desert entry on the ground that this was at the time desert land.

Mr. MARTIN. Because of the fact that his predecessor had partially reclaimed the land.

Mr. MONDELL. Yes. Now, that was one instance where it required all the ingenuity of the Land Department, the Secretary's office as well as the General Land Office, to save to a settler his valuable home.

The assignment clause in the law does not seem to me, was never in my opinion, intended to give the right of accepting an assignment to a corporation. But the Department at one time did allow assignments to corporations, and the evils grew up under that interpretation to which you have referred, to wit, the organization of corporations for the purpose of taking assignments. That, however, your Department has cured now by refusing to allow a corporation to patent a tract of land taken under assignment if any member of the corporation has taken his quota of public lands, so that now, under your rulings, corporations are loath to take assignments.

Now, this committee last winter passed a bill limiting assignments to actual individual entrymen, qualified under the law; and we didn't repeal the assignment clause for this reason: That if for any reason the desert entryman, having partially reclaimed his land, finds that he must dispose of it, and the party to whom he disposes of his land is not a qualified homesteader or the tract is larger than is allowed under the homestead law, the entry must be made and perfected under the desert-land law; but under the law, if relinquished as a homestead would be relinquished, the party taking relinquishment can not complete proof under the desert-land law, if the tract has been in any degree reclaimed from its desert state.

And in order to allow the completion of a desert entry by some other to be done the provision for assignment was made. And it in no way differs, if it is confined to an individual entryman, from the provision under which the homesteader relinquishes to the Government and sells his improvements to a settler, who then files on the land. When he relinquishes his homestead his right is extinguished; the party who under that relinquishment enters has his right extinguished. It is so with the desert-land law under the assignment clause, both the assignee and the assignor extinguish their rights under the law on the one tract. The only difference in the operation, as between relinquishment of homesteads and assign-

ment of desert entry, is that the one procedure is necessary by reason of the fact that a second desert filing can not be made upon a tract partly reclaimed under the law. And in order to allow the perfection of the entry under the law under which it was first made, they assign rather than relinquish.

The CHAIRMAN. This committee reported that bill, meeting most of the views of the Secretary. It passed the House last June, but the Secretary is right in this, that the law still remains as it was. The Senate has not passed upon the bill. This committee has already met your views upon that question almost entirely.

Mr. MONDELL. We did not entirely repeal the assignment clause, but limited it to the acceptance of an assignment by a qualified individual entryman. And we did another thing in that connection which you have suggested, and that is limited desert entries to surveyed lands.

The CHAIRMAN. If the Senate would pass this bill it would accomplish nearly everything that you have suggested as to the best plan.

Secretary HITCHCOCK. In bringing this whole subject before you I want to renew that request. I am, of course, very much obliged to this end of the legislative body for what it has done. But, Mr. Mondell, there is one point that I want to call your attention to, and that is, while there may have been in that case, and in a great many of them, hardships in the privileges that are due to a man who makes a desert entry, the great trouble with the whole thing is speculation. That matter of assignment opens the door wide to irregular, illegal, and unfair speculation.

Mr. MONDELL. Personally, I have been unable to understand how the assignment clause could do that, from the fact that in its essence the assignment of a desert entry differs in no way from the relinquishment of a homestead. The assignee's right is extinguished just as though he was the original entryman.

Secretary HITCHCOCK. The trouble has been the prevalence of speculation on which the assignment is based.

Mr. MONDELL. You understand, Mr. Secretary, that the relinquishing to the Government of homestead entries partly cultivated is a very common practice and one that if it were not allowed would work infinite hardship.

Secretary HITCHCOCK. Mr. Mondell, there are a great many practices, and I am sorry to say they are altogether too common and are taken advantage of. Why should not a man wanting a desert entry be satisfied with 160 acres instead of 320 acres, because until he gets the water he can not possibly take care of 320 acres and 160 acres will give him all he can manage?

Mr. MONDELL. Let me make this suggestion. In the first place, the average desert entry for the last five years has been but a trifle over 160 acres, as is clearly indicated by the records in your office. I have very carefully considered the question of reducing the area of the desert entry, and this committee has discussed it. The necessity for the allowance of a larger area than 160 acres is this:

Of the desert entries made in these later days, when the large valleys are being irrigated either by the Government or by private enterprise on a large scale, the average desert entry is in the mountain valleys or on the plains where a man goes out on the range and builds

a small storage reservoir, or where he utilizes the water of a small stream. In nine cases out of ten, my experience is that the entry covers a tract of land of which on the average not over two-thirds—from a half to two-thirds—can be irrigated; and if we confine the entryman in the first instance to 160 acres, we would in the majority of the cases confine him to but 70 or 80 acres of irrigable land, to a tract so small that it would not warrant the entryman going out on the plains, building a storage reservoir, or diverting at great cost a small stream.

As a matter of fact, the average entry is about 160 acres under the law now, as indicated by your records. Then taking into consideration that a considerable portion can not be reclaimed under the conditions that exist, the average amount which the entryman gets is not 160 acres by any means. If you reduce him in the first place to an actual 160 acres, then that 160 acres might not contain over 80 or 90 acres of irrigable land, not enough land to warrant any man going out into the plains country, into the mountain valleys, and assuming the great expense necessary to the reclamation of any land at all. That has been the difficulty.

Secretary HITCHCOCK. If the average amount is about 160 acres, I see no objection to making the law restrict it to 160 acres. Then if the reclamation service, or the irrigation possibilities, are such that a man can not take care of 160 acres, if it is cut down to 80 acres, it will leave him about as much as he can cultivate to advantage. And by restricting that acreage, what do you do? You open the door to more people to come into the State, which needs more builders and more settlers.

Mr. MONDELL. In my State a man who settles on the desert land is ordinarily a man with a good deal of nerve, and who tackles a proposition that most settlers do not want to undertake.

The CHAIRMAN. The Secretary was invited to present the coal question. We are spending a great deal of time discussing the general land question.

Mr. FORDNEY. Mr. Secretary, what good results in the preservation of forests would be reached by repealing the timber and stone act, and still let remain in force the different laws under which the land could be taken with scrip.

Secretary HITCHCOCK. I would wipe out the whole business.

Mr. FORDNEY. I agree with you.

COAL LANDS AND COAL-LAND LAWS.

Secretary HITCHCOCK. Now, Mr. Chairman, as to the coal proposition. When I first came here I read the order of the President having reference to the coal lands, and all legal rights are protected up to the date of that order. In reference to the coal proposition, you sent down for report three bills. Is that what you refer to now?

The CHAIRMAN. We would like to have you direct your remarks to the coal question. That is what this meeting was specially called for.

Secretary HITCHCOCK. On the 9th of the month you sent down three bills requesting reports upon them, and I only yesterday had gotten the report from the General Land Office. The first of those three bills provided for the separation of the surface from the mineral

underneath. The next bill proposed to make alternate townships, as I understand it; and the last bill proposed that if neither of the other two were acceptable, or could be favorably reported, that the coal lands be treated as forest lands are treated. Do I get your meaning correct?

The CHAIRMAN. I think that is correct.

Secretary HITCHCOCK. We only received the report from the Commissioner of the General Land Office at about noon yesterday, and the whole of the afternoon I was steadily engaged with some parties from out of town on important matters, so that I could not give this matter investigation. In view of that, I am not ready this morning to report, but I can say that the Commissioner of the General Land Office finds objection to all three of those bills.

The first bill, I think, requires some consideration on the part of the Department, and before we make an adverse report I think it can be modified or amended in such a way as to meet your views; and I ask for further time for that purpose.

Mr. GAINES. What is the number of that bill, Mr. Secretary?

Secretary HITCHCOCK. I think it is H. R. 23552.

The CHAIRMAN. I have prepared still a fourth proposition, another bill somewhat embodying this thought, first, that the coal-land laws remain in force, just as they are, and in all land entered under the coal-land laws the title of the coal under the surface to be in the owner, but that all patents hereafter issued under the homestead laws, the timber and stone act, the desert land law, or any other act, shall reserve the coal, oil, and gas, so that a homestead settler, if he gets coal land (he is not entitled to it to begin with, and he could not have taken a homestead on that), and the desert-land-law man is in the same fix, so that they have not lost anything if the coal is reserved on their land.

But investigation so far has shown that the amount of fraud under the coal-land laws is comparatively trifling, perhaps nothing, and that the fraud has been under other land laws. If we absolutely reserve in the patent all the coal under all land other than land that goes into the coal lands proper and reserve the right to lease it, we would have destroyed the industry of getting coal land through these other laws, because they would get the land and not the coal. That is a fourth proposition.

Mr. GAINES. Mr. Secretary, can you not give us now your views on this coal question? We can not have you here very often.

Secretary HITCHCOCK. I was saying that the Commissioner of the General Land Office sent me a letter on that subject yesterday afternoon, and I have not yet had time to consider it as carefully as it ought to be. But I would say informally, Mr. Chairman, that I think it is only proper, without considering it as an official report on the bill that you have sent down, to give the committee the Commissioner's comments on that first bill. The other two I will reserve. He says: "Section 1 of said bill provides for the withdrawal of all the gas, oil, lignite, and coal remaining upon any of the public lands of the United States. Section 2 authorizes the leasing of deposits of the substances named for the purpose of exploring and mining the same and under such conditions and such royalties as the Secretary of the Interior may prescribe. Section 3 provides that the surface of the lands upon which these deposits have been with-

drawn shall be subject to entry under the homestead and other land laws of the United States, excepting the coal-land laws and the timber and stone act, and section 4 provides for the designation of the lands affected by the order of withdrawal and the publication thereof by proclamation of the President. This office agrees with the view that the remaining deposits of gas, oil, lignite, and coal remaining upon the public lands of the United States and unappropriated shall be withdrawn from disposition to private parties and the legal title remain in the Government, and that the right to mine the same shall be leased to individuals or corporations under conditions to be imposed in the interests of the Government and the consumer.

"The office is, however, opposed to any severance of the title of the surface ground and of the minerals beneath, and for that reason objects to the bill as it now stands. A proper act, in the opinion of this office, would be one absolutely withdrawing from sale all of the public lands of the United States containing workable deposits of the substances named and the leasing of the same to responsible parties under carefully drawn regulations. For the views of this office upon the question of the severance of the title to the surface ground and the minerals underneath see the report of this office of May 10, 1906, on Senate bill No. 5441."

I would say that I have not had time to look at that report and see what that is.

The CHAIRMAN. You have been interested in the operation of coal mines in your business experience, have you not?

Secretary HITCHCOCK. Yes, sir.

The CHAIRMAN. Have you found practical difficulty in the separation of ownership?

Secretary HITCHCOCK. No. That is just one of the points that I want to look into, because I know from my own experience of a great many years in Illinois we had the two rights separate and distinct, and the farmer plowed the ground above, and we worked the coal beneath. But there is this difficulty about that, that it may lead to complications and litigation. When parties desire access to a large tract of country, one for agricultural purposes and one for mineral purposes, you must make reservations, so that the mine operator, the coal operator, shall have abundant opportunity for facilities.

The CHAIRMAN. I think this bill covers that.

Secretary HITCHCOCK. I think that is something that should be very carefully looked into, because it would mean practically two people operating the same property.

Mr. GAINES. You are referring, I suppose, to the rights of ingress and egress.

Secretary HITCHCOCK. Yes; the building of miners' houses, the erection of shafts, the switches, dumping ground, and all that sort of thing. All of that must be carefully provided for at the start.

Mr. MONDELL. Mr. Secretary, you are of the opinion, I should judge from what you state, that it would be wise to depart from our present practice as to sales of lands and to hereafter retain, with the Government, coal, oil, and like products?

Secretary HITCHCOCK. Coal, certainly.

Mr. MONDELL. Ownership?

Secretary HITCHCOCK. Well, if necessary. It is a pretty big question, Mr. Mondell, if you mean public ownership; that is a pretty big question.

Mr. GAINES. It is owned by the Government anyhow. Do you believe in the leasing system, and if so, will you give us your reasons why?

Secretary HITCHCOCK. Yes; under proper restrictions and control.

Mr. GAINES. What sort of restrictions?

Secretary HITCHCOCK. I could not go into details, because they will have to be worked out.

Mr. GAINES. Have you made any official report on that particular point?

Secretary HITCHCOCK. No, sir; I have not. The restrictions might be applicable and desirable in one part of the country and not applicable or desirable in another part.

Mr. MONDELL. What existing conditions in the country, in your opinion, make that radical departure from our past practice desirable?

Secretary HITCHCOCK. Well, the public press have given some of these conditions recently, Mr. Mondell. It is a wide-open subject.

Mr. FORDNEY. The conditions that have been discovered near Salt Lake City would be one of the reasons.

Secretary HITCHCOCK. Yes; that is one of them.

The CHAIRMAN. That would be covered by that bill of mine, No. 4. They would not get any title excepting to the surface. That would accomplish the purpose that you have in view in preventing fraud and at the same time would give coal companies that want to have absolute title to enough coal land that title by paying \$10 to \$20 an acre instead of resorting to fraud in order to get the land through cheaper methods.

Secretary HITCHCOCK. Absolute title might be given or covered by an extended lease—say, a 99-year lease—where the period of the lease might be equivalent to absolute ownership, and yet that lease would contain conditions; and if proper conditions are incorporated, just as in the case of leases of private property, so that the Government could take possession again, that kind of control I believe in.

Mr. GAINES. Can you tell the committee what has caused this coal famine out West? And if there is a coal famine, can you give us a remedy for it?

Secretary HITCHCOCK. I know nothing about it, Mr. Gaines, excepting what I have heard from the Indian school at Fort Totten, N. Dak., and what I have seen in the press.

Mr. MARTIN. Mr. Secretary, from your observation, has there been any considerable fraud in the acquisition of coal lands under the coal-land laws?

Secretary HITCHCOCK. That, Mr. Martin, is just now under investigation, and I would rather not go into that, because there are two or three Departments engaged in that investigation, as well as the Interstate Commerce Commission.

Mr. MARTIN. Mr. Clark, of the Interstate Commerce Commission, was before the committee, and the subject of his testimony, as I recollect it, with regard to Utah and Colorado was that the frauds in the acquisition of coal lands had not been committed in the application

of the coal-land laws, but under lieu-land-selection law, by which the State of Utah had taken certain lands from the Government and sold them out at \$2.50 per acre, and which had ultimately drifted into the hands of corporations; and possibly also the misapplication in some instances of the homestead law to coal lands. But, as I remember it, the purport of Mr. Clark's testimony was that the investigation at that time by the Interstate Commerce Commission had not disclosed any extensive frauds in the acquisition of coal lands under the coal-land law, which requires the payment of ten and twenty dollars per acre, according to distance away from railroads. Of course I did not desire to bring out anything that you might think ought not to be disclosed, but the committee is anxious to know whether the coal-land law itself has been abused and made an instrument of fraud in the acquisition of certain public lands.

Secretary HITCHCOCK. Those matters are all pending now; and, as I said a moment ago, are really under investigation by three Departments, so I do not think it is fair for me to go into that at all.

The CHAIRMAN. Before we pass from that, I will say that the President had communicated to us the thought that the coal-land law was very greatly abused. Mr. Clark came here to give us information upon that subject and blamed it all on the coal-land laws. He did not know the distinction between the different laws applicable to the public domain, but when we came to examine him finally we found that the complaint was not that the coal-land laws were being used as the engine of fraud, but the coal-land laws were made a shield against fraud, and they were getting the land under other laws, avoiding the coal-land laws, because they did not want to pay \$10 or \$20 per acre for the land.

Secretary HITCHCOCK. And I think Mr. Clark was, in the main, right.

The CHAIRMAN. So that the situation was different from what the President had in mind when he sent his message to us.

Secretary HITCHCOCK. I think Mr. Clark in the main was correct.

Mr. VOLSTEAD. There is a bill which I introduced, H. R. 23207, and I was going to ask whether you had seen it or not?

Mr. MARTIN. Has it been referred?

Secretary HITCHCOCK. It has not come to me yet, Mr. Volstead, but we will take it up as soon as it comes down.

Mr. MARTIN. I would like to call your attention to and ask you views upon the coal conditions in the West, as might be affected possibly by the adoption of a new policy that would reserve all the coal lands. It has been testified before the committee that by reason of the rapid settlement of the West in recent years—and by that I mean the States west of the Missouri River, the intermountain States—the coal supply from those mines which are yet open this present winter is about 25 per cent short of the coal consumption in those States, and unless other mines are opened and in operation by another winter and should settlement of that country continue upon practically the same ratio there will be probably a 40 per cent shortage in production over the actual consumption in those States.

Now, I would ask you your judgment, if you have become familiar with that question, as to whether it is not likely that the removal entirely of the possibilities of private individuals and private interests

purchasing coal mines and operating them in that country will lead to more serious coal famines than are being experienced there this present winter?

Secretary HITCHCOCK. Offhand I should say, without going into the question as you put it, that there is a mistake there somewhere. An abundance of coal can be produced if there is a market for it, for you will find with respect to the coal lands of the Indian Territory, amounting to about 400,000 acres, of which about 100 are in operation or prepared for operation, that there is great complaint that they can not find a market. Whether that is because of the freight rates or restrictions that we have nothing to do with or competition, I can not say; but those are questions that would have to be taken into account.

Mr. MARTIN. The testimony of Mr. Gebo, a man who has had thirty years' experience in those localities, shows that the output of the mines now in operation in seven or nine of the intermountain States during the present winter, if run to their full capacity, could not supply more than 75 per cent of the demand, and unless before another winter comes there are more mines opened there will be a shortage. He states, however, that the natural coal supply of those sections is abundant for the demands of the country for very many years, but that until the present time capital has been reluctant to buy coal lands upon the public conditions because of the fact largely that they can not lawfully get more than a small area, not sufficiently large upon which to operate large mines. So that we have a real shortage in the presence of plenty that could be obtained.

Secretary HITCHCOCK. I think the shortage of the country is owing to the car supply and complications that arise from that.

I do not think that there is any reason for opening up more mines. They ought to be opened, of course, on proper terms and conditions, but that is a business proposition which I think those who want to go into that business must take care of themselves, and see the chances of profit or loss.

Mr. ROBINSON. I would like to ask you, Mr. Secretary, if the same laws should apply to Alaska that apply to the United States?

Secretary HITCHCOCK. I can hardly answer that question. I know that a great deal of capital has been invested in railroads that are in process of building there, and that they will depend largely upon the coal mines for their freight earnings.

Mr. ROBINSON. The reason I asked that question is, some testimony was introduced here tending to show that the conditions there are so different that the withdrawal of these coal lands from entry there would practically paralyze the development of coal industries.

The CHAIRMAN. The bills that are being introduced here contemplate caring for that.

Secretary HITCHCOCK. Some measure ought to be adopted that would tend to develop the mineral resources of the country, coal especially.

Mr. GAINES. Do you know of any conditions that would prevent the leasing of coal lands and thereby stop the development of mines?

Secretary HITCHCOCK. The present position is, that all bona fide entries that have taken place up to the time of the issuance of the President's order will be protected by the order of yesterday. What

will come later will depend entirely upon legislation by Congress and Mr. Lacy's bill and many other things.

The CHAIRMAN. Referring again to the bill to which I called your attention a moment ago, I will say that I will send you a typewritten copy. That seems to me to be a possible solution, for we provide that a man who gets coal land under the coal-land laws shall have it, but if he gets it by accident he is not hurt if he does not get the benefit of the coal that he does not know is there, and if he does know it is there he can not retain the land for agricultural purposes. The fraud, if there has been any, has not been large, because the entries under the coal-land laws have been small.

Mr. VOLSTEAD. One objection to that might be that probably in States like North Dakota, where there are large areas of agricultural land underlaid with coal that are now withdrawn, it would prevent those lands from being occupied. The surface of those lands ought to be occupied.

Mr. MONDELL. The terms of the bill provide for that specifically.

Mr. MARTIN. He would get the surface, but not the coal.

Mr. MONDELL. Mr. Secretary, the order you issued yesterday will relieve the situation much in the West, because it gives those who in good faith are opening the land out there and getting their title an increased share in the increased tonnage so badly needed out there. It is true, however, that if the remaining coal lands are held in suspension there can be no further new development.

Secretary HITCHCOCK. That is true; but, as I understand it, all States have agreed that legislation shall be prepared and digested as quickly as possible. There is no desire to stop it.

Mr. MONDELL. I appreciate that. I am referring to the situation, which, owing to the rapid development of the country, is critical. We need more mines.

Mr. GAINES. Mr. Secretary, from your information and investigation of land-fraud matters, are you able to tell the committee this morning about what per cent of the public land has been taken up wrongfully?

Secretary HITCHCOCK. Mr. Parker, do you know what proportion of the land that has been taken up has been fraudulently entered?

Mr. PARKER. No; I do not.

Secretary HITCHCOCK. We are working on that now.

Mr. GAINES. I am trying to get information. Mr. Clark is a very intelligent man, and has gone into this question. I asked him: "From your general information, can you give me the amount of land that has been wrongfully entered?" To which he replied, "I wish to be distinctly understood that my answer is based upon a general impression gathered from the testimony in this case, and I should say probably somewhere between 50 per cent and 66½ per cent."

Then I asked: "That has been wrongfully entered?" To which he replies: "Yes, sir; and in what I term as 'wrongfully entered,' one in which a dummy makes an affidavit that he wants the land; that he knows in regard to its nature, when he has never seen the land."

Now, he instanced a case where a woman had made an entry, in Salt Lake City, and he says about that: "One young lady in Salt Lake City who was, I should judge from appearances, probably 22 or 25 years of age, testified that at the invitation of the geologist of the

Utah Fuel Company, or at his suggestion, she went to the office of the attorney of that company and signed a paper. She did not know what it was, and later she went to the office and signed another paper of which she was equally ignorant; but she did know that she got \$50 for her services. And the records show that she entered a quarter section of coal lands and transferred it to the Utah Fuel Company."

Mr. VOLSTEAD. Mr. Gaines, that does not fit every transaction.

Mr. GAINES. I understand that, and I think he spoke of other transactions.

Mr. GRONNA. Mr. Gaines, do you understand that this fraud has been perpetrated in all the Western States? If so, I would not give Mr. Clark very much credit for that statement.

Mr. GAINES. I don't say all of the States, but I am merely reading from his testimony. He says: "I would not undertake to say how many, only that we drew out enough information in our investigation to show that many had been done in that way, and some who had entered lands in that way came before us as witnesses."

Now, he also stated as to the price of coal that the Utah Coal Company was an adjunct of the railroad company, and that this coal company was holding up the people out there in the sale of their coal, selling it at, I believe, for \$5 or \$6 per ton, when it could be bought at the mines of private owners at as low as \$1.30 per ton, or something like that. Mr. Secretary, have you come across, in your investigations, any similar cases?

Secretary HITCHCOCK. There is a saying that "One swallow does not make a summer," but we have found a lot of swallows, and there is a good deal of summer in this whole business. That which you have spoken of is an individual case. It would be utterly impossible for me now to tell you whether they have 62 per cent, 65 per cent, 75 per cent, or 40 per cent of this area covered. I do not doubt but that it is enormous. It is coming up to us through all the different acts, not only the illegal fencing act, but others, the effect of which is to exclude the public domain from the legitimate homesteader and settler. That question has been disposed of, I think. I think that law will be complied with on the 1st of April, when the President's order is carried out, and I only speak of that to show the diversity in ways and means that have been adopted to take possession of the public domain and exclude the homesteader and home settler. I can not give, nor can the Department without stopping all hands, any exact amount or even an approximate amount.

Mr. GAINES. That is the reason why the President has withdrawn it?

Secretary HITCHCOCK. Yes.

Mr. GAINES. To what extent, Mr. Secretary, are the Federal courts in the country helping the Department to enforce the laws?

Secretary HITCHCOCK. The Department of Justice is doing everything in its power to help the Department of the Interior, and the Interstate Commerce Commission, and, so far as I know, every Department of the Government. The Department of Justice is doing all they can to back us up.

Mr. GAINES. Are the Federal judges charging grand juries to investigate these frauds?

Secretary HITCHCOCK. I would not like to criticise the Federal judges.

Mr. GAINES. I was asking that for information, and I thought maybe you had a record of it.

Secretary HITCHCOCK. That belongs to another question.

Mr. GRONNA. Mr. Secretary, while I suppose you can not at this time give us any definite idea, in detail, as to how coal should be mined, but it is your judgment, and you recommend, that these workable coal lands should be withdrawn and absolutely controlled by the Government?

Secretary HITCHCOCK. Until we can get such legislation as will put the operation of the coal mines in such condition as will avoid the difficulties that you are all contending with now; and that legislation will probably do it.

Mr. GRONNA. I will say that I for one am greatly interested in this question, and would like to follow out the President's instructions; but I would also like, if you have the time, to have you give us in full detail your recommendations. If we get them later on—

Secretary HITCHCOCK. Our duty is simply to report on legislation proposed by Congress, a particular bill. Of course, we will criticise each bill as it comes up to us, and tell you exactly what we think, and, so far as possible, comply with the wishes of Congress. And, of course, we bow submissively to the will of Congress if they do not agree with us.

Mr. GAINES. Can you send us, if the committee will request it, a letter on the conditions which you would have put in the bill as to how to adopt the leasing system?

Secretary HITCHCOCK. That would be embodied in our report on any bill that may come down to us, but not the conditions in detail. That we never could give.

Mr. MARTIN. Isn't that a subject that necessarily the details of which should be left largely to the discretion of the Executive Department?

Secretary HITCHCOCK. It is usually put that way in bills—"subject to the rules and regulations."

Mr. MARTIN. Conditions might arise where you would want to relieve a case that we could not possibly foresee.

Secretary HITCHCOCK. Conditions may be different in one part of the country from another. We would have to take into consideration railroad transportation, competition, and all sorts of rules and regulations, and what might apply to the mountain States might not be applicable to the Middle States.

The CHAIRMAN. In the Indian Territory you limit the leasing to 960 acres. In starting a plant away off in Wyoming, 75 miles from the railroad, you might want to give 10,000 acres.

Secretary HITCHCOCK. A few years ago, if I am not mistaken, there were only two or three railroads of any consequence in the Territory. Now the whole Territory is gridironed. That, of course, fixes freight rates and competition. You have to take all those things into account.

Mr. MARTIN. I should think that would be absolutely necessary. We could not make a hard-and-fast law, with provisions all enumerated in the legislation, and expect to make it operate smoothly in all parts of the country.

The CHAIRMAN. Now, as to the question of area, we are up against that question. In Wyoming a lot of land is to be mined—they are to start new mines 75 miles from the railroad, and it will cost a half

million dollars to build a branch railroad into that territory—what would be your idea as to the smallest area that should be leased to start new plants?

Secretary HITCHCOCK. Of course there is always very large expense attending the opening up of coal mines, whether you open up the mine on an incline by cutting into the hill or by sinking a shaft in the material you must cut through. All those things must be taken into consideration.

Mr. FORDNEY. The acreage would depend upon the thickness of the veins.

Secretary HITCHCOCK. Everything would depend upon that. It is estimated—it used to be when I was engaged in that business—that every foot of thickness of a bituminous vein is equal to a thousand tons to the acre. Four feet thick would be 4,000 tons; 6 feet thick, 6,000 tons, and you must figure those things in getting at the probable cost.

The CHAIRMAN. You lease Indian lands at 8 cents a ton mine run?

Secretary HITCHCOCK. Yes, sir. When I first had to meet that question the rate was 10 cents a ton for lump coal. Now, there is all the difference in the world between mine-run and lump coal, and the fraud being practiced upon the Indians was that they gave away about two-thirds of the top of the mine to get the lump coal, for which they got no royalty, and the figures show that it is very much better to reduce the royalty by taking all the coal than 10 cents on the screened coal. It has made hundreds of thousands of dollars' difference to those Indians as to whether they got 8 cents for everything that came out of the mine or 10 cents for lump coal.

Mr. GAINES. Can you tell the committee about how much money a man has to have to start a coal mine and work it properly?

Secretary HITCHCOCK. That depends altogether upon the locality, the thickness of the vein, the access to market, whether you have to build switches, and houses for the miners, and all sorts of things. It depends altogether upon conditions.

Mr. GAINES. There were some witnesses from the Geological Survey, and I think Mr. Gebo said that it would run to about \$500,000. I think he had a mine of his own that was started with that much capital. I am trying to get at the minimum capital necessary to work a mine properly.

Secretary HITCHCOCK. I should say that was an overestimate, Mr. Gaines, because I know of mines started with a shaft about 125 feet deep to get to coal for \$150,000.

Mr. GAINES. How many mines of that kind have you known of?

Secretary HITCHCOCK. I was referring to a mine in Illinois that I opened up myself with a 6-foot vein of coal.

Mr. MONDELL. If you will recall, Mr. Gaines, I think you will find that Mr. Gebo said that his estimate was based upon a 2,000-ton output. Of course that is a very large mine.

Secretary HITCHCOCK. The preliminary expenditure ought not to be included. You develop the top work, and then other things depend upon the market you get, the quantity of coal you have to supply, and so on.

Mr. GAINES. How much coal did you furnish when you started?

Secretary HITCHCOCK. At least a thousand tons, but of course it

does not double the work and expense to furnish 2,000 tons, because the houses, the apparatus, and so forth are all there.

That will depend also upon the location and the nature of the vein; the facilities for getting your apparatus there. For instance, you must take machinery to the coal mine, and it may have to be hauled by wagons, or you may be able to take it there by railroad. That all makes a difference in estimating the cost of the top work in opening a mine.

Mr. FORDNEY. It would make all the difference in the world. I know of mines in Michigan that are removing 500 tons of coal per day at a depth of 200 feet and costing \$65,000, everything complete, ready to ship.

Secretary HITCHCOCK. Not only that, but it depends upon the future of the mine—whether you have territory enough and thickness of vein enough to warrant what may be called permanent expenditure as against temporary expenditures, based upon contingencies of the market, the character of the coal, and the demand; so that you can not make a hard and fast rule as to that.

Mr. MONDELL. I want to suggest in that connection that the opening of the lignite mines in many portions of the West involves a very much larger expenditure than in the bituminous mines of the fields in which you have operated, owing to the fact that it is necessary in the lignite fields to use nothing but steel or iron in construction. The tipples have to be built with steel and iron; all that outside work has to be built of steel, the tipples, the runways, and the screening apparatus, and all the outside machinery, because the screenings and waste of the lignite mines ignite spontaneously. That, of course, is very much more expensive than lumber and timber. I have in mind one tipple just put up in our State at one mine out of four operated by a company, upon which they expended \$120,000 on one tipple.

Secretary HITCHCOCK. As I say, that would depend altogether upon the means at hand for establishing the working part of the business. Even in the bituminous coal business, as against the lignite, a corporation going into that business and developing a mine, who have money enough, would find it much better to build of steel and iron wherever they can use it, because it will last longer.

Mr. GAINES. Previous to the civil war I think Congress leased a number of mines, did it not?

Secretary HITCHCOCK. That I don't know. I was in China at that time.

Mr. GAINES. I was not living at that time, Mr. Secretary, but I was looking into some of those old statutes and thought possibly you could tell us how they operated.

Mr. MARTIN. Mr. Secretary, have you some knowledge of the lignite coal fields of the intermountain States?

Secretary HITCHCOCK. No; I have not.

Mr. MARTIN. About what area of the bituminous field is essential to the building of a permanent plant to operate successfully?

Secretary HITCHCOCK. That is a matter of calculation. A 6-foot vein gives 6,000 tons a year. It would depend upon how many years you wanted to be in the business, the amount of output that can be taken care of; but I should think no man would want to invest two or three hundred thousand dollars without a pretty large area.

Mr. GAINES. Do you know anything of the Canadian coal laws?

Secretary HITCHCOCK. No; I do not.

Mr. BURNETT. A suggestion has been made in the discussion of the proposition of leasing that it would stop the prospector leasing, who is really the developer of these great coal and mineral interests. Will you give us any information on that that you may have?

Secretary HITCHCOCK. I think any man who has any money and who sees the possibility of building up an industry—

Mr. ROBINSON. I think the statement was based upon the prospector not having the money, but he is the adventurer.

Mr. MONDELL. Mr. Secretary, from your experience in coal mining, do you think it would be possible at this time or in the near future to secure the necessary capital for working veins in the sparsely settled intermountain country on a leasing and royalty plan?

Secretary HITCHCOCK. I don't see why it would not.

Mr. MONDELL. Would not capital much prefer to own their lands?

Secretary HITCHCOCK. Naturally they would prefer to own them, because then they would have absolute control and would not be subject to such conditions, rules, and regulations as might be imposed on the royalty basis.

Mr. MONDELL. Would not capital hesitate to undertake new operations in the western country for fear that those regulations might be such that it would be very difficult for them to comply?

Secretary HITCHCOCK. It depends altogether what sort of prospects or results could be shown to the capitalist. If the results are profitable and legitimate, I believe there is plenty of capital in this country seeking such investment.

Mr. MONDELL. But capital would prefer operations in which they owned their property.

Mr. MARTIN. Let me ask you with regard to the present system by which preference rights are given to claimants who disclose a valuable vein of coal. Veins are in the main disclosed by prospectors, who go out and prospect with the inducement that if they find a valuable vein of coal they become the first purchaser. Would it not be necessary in adopting a lease system, and the entire abrogation of the purchase system, to in some way give a like preferential right to lease to men who would disclose or uncover a valuable vein of coal?

Secretary HITCHCOCK. I don't think it would be wise to incorporate that into law.

Mr. MARTIN. If there was no inducement of that kind to prospectors to find veins, how would they be discovered?

Secretary HITCHCOCK. I think there will be prospectors for gold, silver, and coal, or anything else.

Mr. MARTIN. Without any prospect of a right to lease property after he discovers it? Suppose he discovers a vein and some corporation makes application first?

Secretary HITCHCOCK. He can contest it; the law provides for that.

Mr. MARTIN. Would he have any basis unless the law gave him some right?

Secretary HITCHCOCK. He would have to prove that. I don't know of any law that gives a preferential right, a distinct right of preference, in cases of that kind, but I may be mistaken.

Mr. MARTIN. The present law provides that a man who discovers a coal vein may, within sixty days thereafter, file his application to purchase, and that he will be given the preferential right.

Secretary HITCHCOCK. In that sense it is right.

Mr. MARTIN. That is the inducement to prospect; to go out and find a coal vein.

Secretary HITCHCOCK. Oh, I misunderstood you. I think if a man goes in and discovers coal he should have the right over everybody else.

Mr. MARTIN. That is the law now.

Secretary HITCHCOCK. He has to do that within sixty days.

Mr. MARTIN. I wanted your view as to whether, if we abrogate that system and take up a leasing system, it would be necessary to provide some like protection to the prospector who might discover a coal vein, and give him the preference to lease.

Secretary HITCHCOCK. I see no objection to putting in a bill a provision of that kind with respect to the man who takes the risk, but not to the exclusion of anybody else if it is shown that they have the right to contest.

Mr. MONDELL. You are leasing for the Indians certain coal lands in the Indian Territory. Are those leases mostly to large operators?

Secretary HITCHCOCK. Mr. Mondell, we are not now leasing, because Congress has prohibited us making any more leases.

Mr. MONDELL. I am referring to the leases that have been made.

Secretary HITCHCOCK. Those in existence? There are some companies, corporations, some individuals—a little over 108,000 acres of that coal land is leased. I can not give you offhand the amount. The annual report will show that. But some of them are small holders.

Mr. MONDELL. Your annual report of this year gives the acreage?

Secretary HITCHCOCK. The annual report or the appendix. My report gives the list of leases and who has them, as well as the time they run.

Mr. MONDELL. In the majority of cases the lessees in the Indian Territory were large corporations?

Secretary HITCHCOCK. I would not say offhand that they are, but the probability is that they are.

Mr. MONDELL. And connected directly or indirectly with the railroads?

Secretary HITCHCOCK. I can not say as to that. What you refer to, I suppose, is a railroad in the Indian Territory which, I think, the Rock Island bought out. They did have and were operating a good many of those leases which have not yet expired, and they are still operating them. The new law requires that within a year there must be a separation.

Mr. MONDELL. Under the railroad rate act?

Secretary HITCHCOCK. Yes, sir.

Mr. MONDELL. But my inquiry was directed to the question as to whether the tendency under leasing has been to encourage large operations.

Secretary HITCHCOCK. Not to encourage, but to get as many as we could to properly develop the coal property—to get larger revenue for the Indians.

The CHAIRMAN. You allowed a consolidation up to five?

Secretary HITCHCOCK. I do not remember at this moment.

The CHAIRMAN. So as to make it about 4,800 acres?

Secretary HITCHCOCK. I don't remember; it is shown by the report.

The CHAIRMAN. That was my impression.

Mr. SMITH, of California. What size of lease?

Secretary HITCHCOCK. Nine hundred and sixty acres. I do not remember at this moment that the committee favored any consolidation, but there is the law that no one party shall have more than 960 acres. That may be an individual or a corporation. I should think offhand that that would be a violation of the law to allow five or six to get together. You are probably thinking about another thing. We restrict oil leases to 600 acres.

Mr. BURNETT. Is that 960 acres allowed by law, or a departmental regulation?

Secretary HITCHCOCK. By law.

Mr. GAINES. Mr. Secretary, we had some little difference of opinion as to what the word "mineral" meant, as used in these public-land leases. Does it include coal?

Secretary HITCHCOCK. That legally has been decided as mineral.

The CHAIRMAN. We passed a law at the last session of Congress I think—possibly it was the one before—providing that forest reserves should be subject to a mineral entry. I am told that that has been construed in your Department in include coal-land entries as well, so that a man can go into the forest reserve, locate coal under the coal-land law, and take the coal and the timber both at \$10 or \$20 an acre, right out of the heart of the forest reserve. Has your Department construed that law that way?

Secretary HITCHCOCK. I will ask the Assistant Commissioner to answer that.

Mr. POLLOCK. That is true; the Department has construed coal lands as falling within the term of mineral lands, and therefore subject to coal entry under the law.

The CHAIRMAN. That was certainly not the intention of this committee in reporting that bill.

Mr. POLLOCK. The Department has defined the word "coal" as included in the term "mineral."

Mr. MONDELL. Do you know whether any considerable number of final coal entries have been made within forest reserves?

Mr. POLLOCK. Very few, apparently. I can not give you the number.

Mr. MONDELL. Have there been any final entries in forest reserves?

Mr. POLLOCK. I should say offhand that there have been, but I could not give the location of them. I understand that there have been some entries of coal lands in forest reserves.

Mr. MONDELL. I have reference to final entry.

Mr. POLLOCK. There is only one class of entry.

Mr. MONDELL. A declaratory statement is often referred to as an entry.

Mr. POLLOCK. We do not so recognize them at all.

Mr. GAINES. Mr. Pollock, have not the courts defined, or has not your Department declared, that oil land is mineral land?

Mr. POLLOCK. Yes, sir.

Mr. GAINES. That oil is mineral?

Mr. POLLOCK. Yes, sir.

The CHAIRMAN. You do not know of any considerable abuse of that law; of getting into and taking away valuable timber from forest reserves under the coal-land law?

Mr. POLLOCK. That matter, of course, would come under the Forestry Service of the Agricultural Department, and I have no means of knowing whether any particular large areas have been taken or not.

The CHAIRMAN. The filing has to come under your office.

Mr. POLLOCK. Yes; but they are only the filings and not the entries.

The CHAIRMAN. But you would not know the value of the timber; the only question would be the mineral feature.

Mr. POLLOCK. We simply take the proof of the land according to the public-land surveys. That question has come up as to whether it was within or without a forest reserve, but it would make no difference to the Land Office, under the regulation, if proof was correct in the usual way.

Mr. MARTIN. In case it should be shown to the office that a coal land entry applied for within a forest reserve had opened up a very valuable growing forest and it was immensely more valuable for forestry than for the coal within it, would that not be a reason why your Department might decline to approve of that entry?

Mr. POLLOCK. Yes; but I want to say on that proposition that the construction generally placed upon that by the Land Office and by the Department, as I understand it, is to determine whether the land applied for is chiefly valuable for mineral.

Mr. MARTIN. If it were more valuable for timber than mineral, it would be considered an evasion of the law under the coal-land entry?

Mr. POLLOCK. Yes, sir.

The CHAIRMAN. You can fully protect valuable timber under this law?

Mr. POLLOCK. Yes, sir.

The CHAIRMAN. I asked so as to ascertain whether any further legislation is necessary. The committee thought when they reported that bill that they were providing for the precious metals and not for coal. Coal was not discussed when the bill was passed, and it is a surprise to me to discover that it includes coal lands.

Mr. Secretary, is there anything further you desire to say to us this morning?

Secretary HITCHCOCK. No, sir.

Adjourned at 12.40 p. m.

DEPARTMENT OF THE INTERIOR,
GENERAL LAND OFFICE,
Washington, D. C., January 18, 1907.

Hon. JOHN F. LACEY,
House of Representatives.

SIR: Referring to your verbal request for the number of declaratory statements and entries now pending, it is practically impossible from the records of this office to give with any degree of accuracy the number of declaratory statements which can now be made the basis of entry.

The showing hereinafter made gives the declaratory statements filed during each quarter since July 1, 1905, but the Office is unable to show which of such declaratory statements have been made the basis of entry, or have been abandoned or canceled.

The table also shows the entire number of entries made since July 1, 1905. Many of these entries were made on declaratory statements filed during the time covered hereby, but a large number have been made as private cash entries and are not based upon any declaratory statement. Only a tabulated statement showing the date of each declaratory statement and the land covered thereby would enable the Office to determine the status and locus of each.

Coal declaratory statements filed since July 1, 1905.

First quarter fiscal year 1906.....	536
Second quarter fiscal year 1906.....	727
Third quarter fiscal year 1906.....	519
Fourth quarter fiscal year 1906.....	545
First quarter fiscal year 1907.....	713
Second quarter fiscal year 1907.....	238

Total	<u>3, 278</u>
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Coal entries made from July 1, 1905, to December 31, 1906.....	<u>310</u>
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There are now 278 unpatented coal entries pending in this office.

Very respectfully,

G. F. POLLOCK,
Assistant Commissioner.

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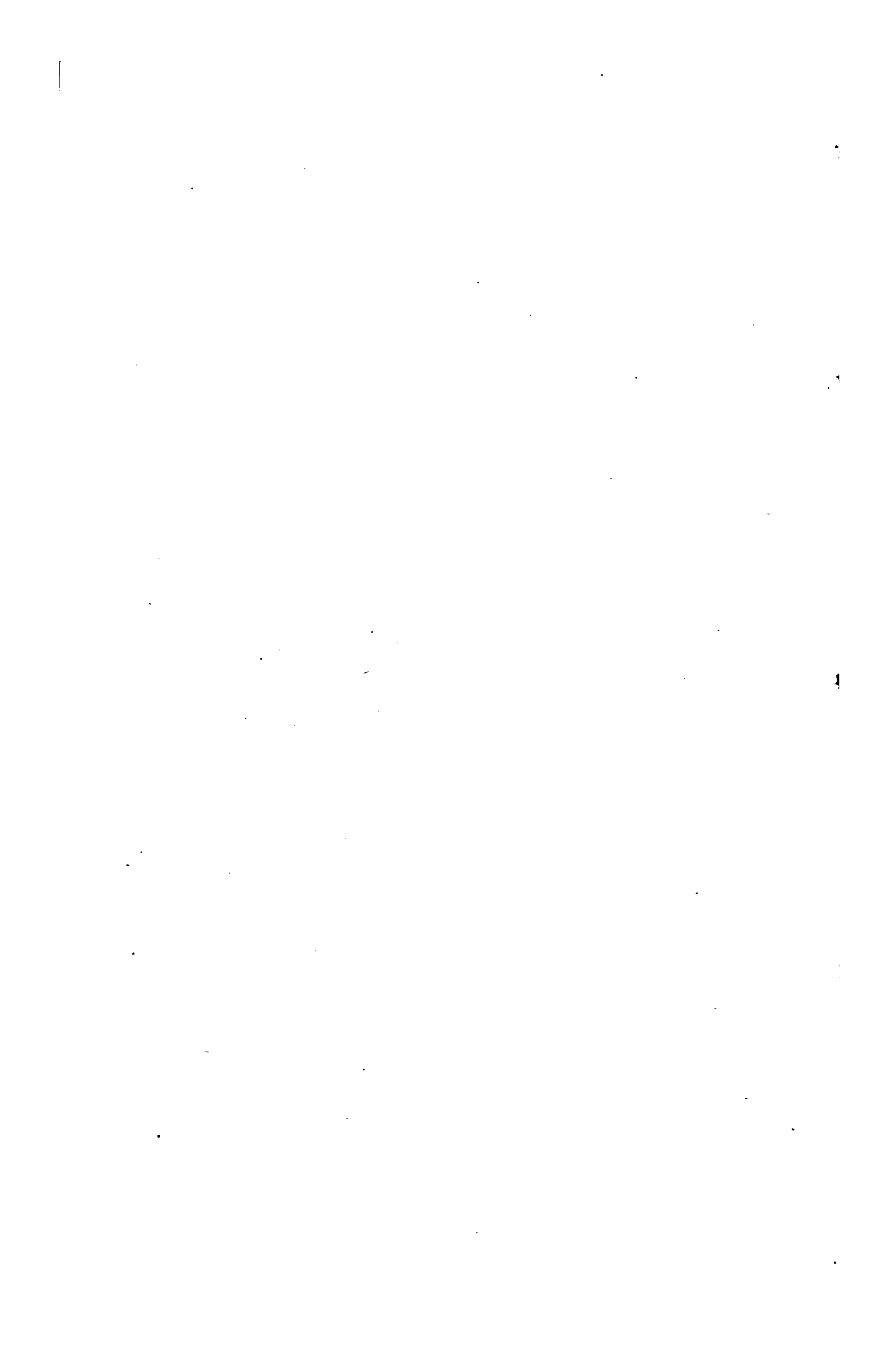
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COAL LANDS AND COAL-LAND LAWS OF THE UNITED STATES.

COMMITTEE ON THE PUBLIC LANDS,
Wednesday, January 23, 1907.

CONSIDERATION OF BILL S. 8013.

The CHAIRMAN (Mr. Lacey). Do you want to take up the La Follette bill, Mr. Robinson?

Mr. ROBINSON. I want to move to report Senate bill 8013, which is the bill introduced by Mr. La Follette as a substitute for the Lacey bill. And I would also, if it is in order, like to move a favorable report on Mr. Lacey's bill reserving all coals in lands entered other than under the coal-land laws, the number of that bill being H. R. 24368.

(See p. — for S. 8013.)

The CHAIRMAN. Before that is voted upon I suppose we had better hear Mr. Mondell in connection with the matter.

Mr. MARTIN. Before Mr. Mondell proceeds I would like the record to set forth a copy of the bill which I have introduced upon this general subject (H. R. 24471), for the purpose of having its consideration.

I will state as to the provisions of section 2 of the bill that upon reflection I should suggest some modifications of that section if the committee shall conclude that the principle set forth there ought to be considered favorably, but I would like to say also in that connection that I think with favor of the general proposition that the chairman has incorporated into one or more of his bills—that any subsequent patents for lands under the homestead and other laws and the coal-land law on the coal upon or beneath the surface should be reserved to the Government.

Following is a copy of the bill referred to (H. R. 24471):

[H. R. 24471, Fifty-ninth Congress, second session.]

A BILL To amend the laws relating to the public coal lands of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section twenty-three hundred and forty-eight of the Revised Statutes of the United States is hereby amended to read as follows:

"SEC. 2348. Any person or association of persons, severally qualified as above provided, who have opened and improved, or shall hereafter open and improve, any coal mine or mines upon the public lands and shall be in actual possession of the same, shall be entitled to a preference right of entry, under the preceding section, of the mines so opened and improved: *Provided, That when any association of not less than four persons, severally qualified as above provided,*

shall have expended not less than five thousand dollars in working and improving any such mine or mines, such association may enter not exceeding one thousand two hundred and eighty acres, including such mining improvements; and when any such association shall have expended not less than ten thousand dollars in the manner aforesaid, such association may enter not exceeding two thousand five hundred and sixty acres, including such mining improvements; but in any case under this proviso patent shall not issue for such lands until such association shall have constructed and in operation upon the said lands good and adequate machinery, plant, and equipment for the proper and successful mining and removal of coal therefrom."

SEC. 2. That the President may from time to time set apart and reserve from entry and sale such portions of the unappropriated public coal lands as he may deem necessary or expedient in order to prevent the coal supply of the country from passing into the control of monopolistic concerns or companies, and in order to protect the people against unreasonable prices for fuel, and he may cause the coal lands so reserved, or any portion thereof, to be leased and operated upon such terms and under such conditions as in his discretion are most likely to accomplish such results. The creation of coal-land reserves as herein provided shall not impair any rights acquired in good faith under the laws of the United States prior to the creation of such reserves, respectively. The President shall, by public proclamation, declare the establishment of such reserves and the limits thereof.

Mr. MONDELL. Before we go to the consideration of that bill, I would like to make a brief statement of some facts in regard to the situation in the West. I will try to make it as brief as possible, but I feel that, coming from a State that contains as much coal as mine does and which will be so greatly affected, I ought to make at least a brief statement of the situation as it appears to me.

Mr. ROBINSON. In my view of this matter, some such bill as this ought to be reported without regard to the question as to whether the coal land ought to be reserved from entry under the coal-land law, because it is manifestly unfair. This bill (S. 8013) will stop all fraudulent entries under existing law.

Mr. MONDELL. Mr. Chairman, I will preface my remarks by saying that as at present advised, and as I now view the situation, I could not give my vote to any proposition looking to a radical change in our coal-land laws which has been offered so far, and under which it is proposed that we shall depart from the policy of a sale of coal lands and take up a system of leasing under Government control.

It was suggested in the early part of these hearings that there must have been some condition in the western country warranting the very radical action of the Executive in reserving 64,000,000 acres of land. What the Executive had in mind is clearly indicated by his two messages, his annual message and his land message, and in line with the views expressed by Senator La Follette the President is of the opinion that we ought to establish a leasing system as to coal, oil, and gas, and the vast coal-land withdrawals were made, as I understand it, with a view of securing action along those lines by Congress.

Now, there was no condition existing in the western country that, in my opinion, warranted the radical action of the Executive Department in that withdrawal. Whatever our views may be as to the advisability of change of law, when you take into consideration the fact that in thirty-six years we have sold less than a half million acres of coal land, and that there has been reserved of lands supposed to contain coal, outside of Alaska, some 65,000,000 acres, it becomes clear that these facts do not indicate a condition which war-

ranted any radical withdrawals of land. The coal lands were being taken up so slowly that had we continued to dispose of coal lands at the rate that we disposed of them last year, it would have taken something like fifteen hundred years to sell the acreage that has been reserved outside of Alaska.

And this is also true: Up to this time very little coal land has been purchased in the West, under the coal-land law, with a view of holding the same for speculation. So far as I know, coal lands have been purchased only with a view of immediate production. It has not been considered a good investment to pay \$10 to \$20 an acre for coal land in the West to hold for future use, and I know of no instance in which that has been done to any considerable extent.

Nothing connected with the coal-land laws or the operations under them, except as affected by their administration, has anything to do with the present shortage of coal in the West. The great shortage is in a region not generally supplied from the States having coal on the public lands. The Dakotas do not receive their supply to any considerable extent from the public-land States. Their supply comes from Iowa and Illinois almost exclusively, States where land was sold by the Government without any reference to the coal it contained.

Mr. MARTIN. Not to interrupt your argument, Mr. Mondell, let me say that of course the southwest portion of South Dakota—the Black Hills country—is an exception.

Mr. MONDELL. That is an exception.

Mr. MARTIN. It draws its coal supply from the intermountain States, and there has been no serious shortage in that locality.

Mr. MONDELL. Yes. There has been no considerable shortage of coal outside of this region that draws its supply from the States where all public lands were long since disposed of.

Mr. MARTIN. You will remember that Mr. Gebo testified here that there is in these intermountain States at present time a shortage of about 25 per cent in the coal supply, and he stated that at Helena and certainly some other localities there had been great difficulty in keeping schools and some other public institutions running because of the coal shortage, and he prophesied that by next winter unless there was considerable additional coal developed the shortage in that region would be about 40 per cent.

Mr. MONDELL. The idea I desire to convey is that whatever shortage has occurred in the public-land States where there are public coal lands was not due to any fault of the coal-land laws as enacted by Congress. There has been difficulty, and great difficulty, in getting capital to invest in coal enterprises in the western country. Of that I have personal knowledge, having been connected with the opening of a large mine in Wyoming some years ago and having kept fairly well informed on the situation with regard to these matters since that time, though I have never had any interest in a coal-mining operation. I know it has been very difficult to get capital to embark in coal enterprises there, first, because of the high price of Government coal land and, further, because of the distance from large markets the demand has been limited up to quite recently. The development of the last two or three years has been more rapid, but the coal mines have not been opened as rapidly as the increasing demand would warrant. This very great difficulty has been encountered, that the Interior Department in administering the coal-land laws has proceeded

apparently on the theory that it is the duty of the Government to discourage the consolidation of entries after purchase, though it is conceded that only by control of a considerable acreage can operations be successfully carried on. The coal-land law is a law for the sale of coal lands, and until last June no one who bought coal land by cash entry was ever called upon to make any statement or affidavit to the effect that he took it for his own exclusive use and benefit.

It had been understood, and I have no doubt that was the intent of Congress, that when a man bought 160 acres of coal land and paid \$20 an acre for it, he bought it to use as he saw fit. Recently the Department has taken the view that even those who so bought coal land should be prevented from consolidating their entries. The President says that it is not wise to retain upon the statutes of the country a law which sounds well but which, if I recollect his language aright, puts a premium on fraud. There is no premium placed on fraud by the coal-land law. There is a premium placed on fraud by the present departmental construction of the coal-land law, because that construction of it is that if I buy a tract of coal land of the Government and do not dig all the coal out myself, but unite with others in digging it out, or sell to some one who will mine it, I am guilty of a fraud on the Government; and having denominated this as a fraud they have no great difficulty in finding frauds.

Now, in discussing this question of leasing we should remember that it is an entirely untried proposition; that nowhere in the world, so far as I know, excepting possibly in Russia, where the Government is paternalistic and monopolistic, has there been any effort made to retain in the hands of a government the fuel supply of the country. Our entire development, marvelous as it is, has been along lines of individual ownership of coal mines. We disposed, in the States of Virginia, Tennessee, Pennsylvania, Missouri, Iowa, Kansas, Indiana, and Ohio, of upward of 140,000,000 acres of land containing coal without any reference to the coal that the lands contained. In 1864 we proposed a new policy as regards some of the western lands, but that new policy was not actively entered upon until the passage of the law of 1873, when we placed a price of \$10 and \$20 an acre on coal land.

Mr. GAINES. Let me say that you have made a mistake about Tennessee. Was it known at the time the Government took the action you have just described whether coal was in the lands?

Mr. MONDELL. Undoubtedly they knew that there was coal in some of the lands.

Mr. GAINES. I really very much doubt whether that was a fact or not. I think the actual discovery of coal in Tennessee was long after that.

Mr. MARTIN. You mean that there was not much of an outcrop on the surface?

Mr. GAINES. Yes; but you must remember that that was a very sparsely settled country.

Mr. MONDELL. Yes; and the value was probably not taken into consideration.

Mr. GAINES. I do not think you can find, Mr. Martin, anything in the old cessions where the question of coal, iron, or gold, the real minerals that we are talking about now, was named in the statute. They sold it as land, agricultural land.

Mr. MONDELL. The question is, What object is sought to be attained by embarking upon a leasing system? Is it to prevent a monopoly of coal, and high prices to the consumer; and, if so, can you in any way prevent that by a leasing system? There have been some complaints in the United States in various regions of high prices of coal to the consumer, it is true. I think I will not be contradicted when I say that there never has been a time, excepting in some limited localities during a stress of demand greatly in advance of immediate supply, where the price of coal at the mines has not been very reasonable. The Government report of last year gives the average price of coal in the United States at \$1.10 a ton at the mines. You will find that in "Mineral Resources of the United States."

Mr. SMITH, of California. Have you estimated the average price in the Intermountain States?

Mr. MONDELL. The average price was given here the other day as \$1.30 in Wyoming. From my experience I should say that, taking into consideration all classes of coal, that estimate is too high. It probably is not far from that price in the Intermountain States generally.

The higher cost to the consumer consists of transportation charges, the profit to the middleman, and the profit of the retail dealer; and I think it is very questionable whether you can reach questions of transportation through a leasing system, and you certainly can not reach the question of profit of the middleman or retailer.

Mr. GAINES. Suppose the railroad is a coal owner and a coal dealer, as is the case with regard to the fuel companies in Utah?

Mr. MONDELL. The railroad ought not to be that, and we have provided by law that it shall not be in the future. I think it is wise that the railroads should be entirely divorced from the business of mining commercial coal. I think there is always danger of the establishment of conditions not satisfactory where the railroads mine the coal they ship for commercial purposes.

Mr. MARTIN. What particular piece of legislation do you refer to as prohibiting that sort of union of railroads and coal mines?

Mr. MONDELL. The railroad rate law.

Mr. MARTIN. That takes effect on the 1st of July.

Mr. BURNETT. The 1st of July, 1908.

Mr. MONDELL. Yes; the idea being to give the opportunity to dispose of their property.

Mr. MARTIN. In the meantime the committee will remember that the subject has been somewhat modified by the recent decision of the United States Supreme Court in the case of the Chesapeake and Ohio Company, concerning its operations in West Virginia. The court has held, it appearing that the railroad company was shipping coal in which it was interested in the leasing of and disposition of at a lump rate, that it would be compelled to give any independent operators a rate equivalent to the rate that they themselves, under those conditions, were paying for the transportation of their own coal that was entering the market. And the effect of that has resulted in the movement to divorce the railroads and the coal mines.

Mr. GAINES. In other words, they could not treat themselves any better than they could treat the independent coal dealers.

Mr. MARTIN. Yes; in this matter of the interstate handling of coal.

Mr. MONDELL. There has never been, in the United States, over

any considerable period or of territory a high price for coal at the mines. A leasing system can not, it seems to me, affect or control the transportation charges. It can not affect the other items which enter into the price of coal, and therefore the question of the price of coal to the consumer can not be reached through a leasing system. It has been argued on the other hand that under a leasing system the Government would receive large sums from the royalties of mined coal. That is unquestionably true. But I personally am unalterably opposed to the Government going into business for the purpose of making money. If the Government had retained all the wheat land and the corn land of the country and could have leased it, it would undoubtedly have received an enormous revenue.

Mr. GAINES. Why did the Government give the public land away?

Mr. MONDELL. The Government has given the public land away to those who would settle and reside upon it, and it was a wise policy. The only Government that has departed to any considerable extent from the rule of private ownership of land and private control of business is the Government of Russia. Russia carries on all of the more important business enterprises of the Empire. Russia is paternalistic. And I do not hesitate to say that this is the most gigantic step in the direction of paternalism ever suggested or proposed outside of the Russian Empire, and in my opinion it is not in line with the proper policy to be adopted by this Government to go into the coal-mining business or to retain values in its public domain with a view of making money out of them. I believe we should continue as we have in the past to encourage private enterprise and to follow the good old Democratic doctrine that governments were established to maintain order, to enforce the laws for the protection of lives and property, to protect the liberty of the individual, and to prevent the individual being oppressed.

Mr. GAINES. There is another good Democratic doctrine also that denounces monopoly of all kinds.

Mr. MONDELL. Yes; but there are various kinds of monopolies, one of which is governmental monopoly. And there may be governmental monopolies that are just as iniquitous as private monopolies. I can give the committee a concrete illustration of governmental monopoly now in full swing in the State of Wyoming, on the forest reserves, which, I think, illustrates quite aptly what might occur with a governmental coal monopoly. Further, I do not think that any administration ought to have the control of the entire coal situation, so as to be able to withhold, to extend, to shorten, to expand. And the socialistic, paternalistic, centralizing tendency of this legislation is writ in thunder tones in the bill before us, introduced in the Senate by the gentleman from Wisconsin, which carries this idea to its logical conclusion, namely, the Federal control over mining and mine inspection, over the employment of labor, and generally a complete subjugation of the police powers of the people in the States.

Mr. GAINES. Would you rather have the Government control the situation in Utah than the railroad?

Mr. MONDELL. I do not think that the railroad or the Government should control the situation in Utah. I think the people, through their regularly constituted authorities, should control it. Neither do I think that it is necessary that the Government resort to that method of control, because a monopoly can be effectively directed and

it can not be by a leasing system. I live in the country affected by this legislation. We hope to develop that country. We have no such coal as you have in Tennessee, Mr. Gaines; we have no such coal as Pennsylvania has. We have coals that, in the main, are of a character which can not be profitably mined under present conditions. They slack when taken from the mines and can not be transported to great distances, and can not be stored in great quantities without great danger. We have other coals that are of a higher and better quality and these we mine and hope to mine in increasing quantity, but we have no first-class coking coals excepting in exceedingly limited areas, which have already passed from the hands of the Government. We have no anthracite coal, excepting in small pockets here and there. The coals of the public domain to-day are mostly lignites, ranging all the way from the very high-class lignite to a very common brown coal, like those of some parts of the Dakotas.

We find it difficult enough, under a system of ownership, to invite capital to develop our resources as rapidly as they ought to be developed. We know—we believe we do—that it would be very much more difficult to invite capital under a leasing system. But it has been suggested that men do lease coal lands from individuals. Yes; but no case has been cited to this committee where any man in the United States ever built a coal plant on leased coal lands.

Mr. MARTIN. Allow me to ask you right there, Mr. Mondell, because I am seeking light on this proposition: In the handling of the coal fields of the Indian Territory, have companies leased, through the Secretary of the Interior, large areas of coal land and constructed plants for the sole purpose of operating them?

Mr. MONDELL. If there is any exception to the statement that I have just made, it relates to the Indian Territory, where I do not fully understand the situation, excepting that I understand the situation is not satisfactory to anybody. I have endeavored to get some information on that subject from the recent hearings before the Senate committee, but the hearings are so voluminous that after going over them somewhat I did not arrive at any definite conclusion, except that the operations there are large and the tendency is monopolistic rather than otherwise.

Mr. MARTIN. I think that the concrete instance of the operations in the Indian Territory, where it has been carried on in a large degree under a leasing system alone, ought to throw valuable light upon this leasing proposition we are discussing; but I think that before this hearing closes we ought to have from some one who claims to know all about that a statement as to how it works.

The CHAIRMAN. Let me ask you, Mr. Mondell, if it is not true that the lessees of the Indian Territory appeared before the committees of Congress opposing any acquisition of patent title by anybody of any coal lands, for the reason that the lessee who had to pay 8 cents a ton could not compete with the owner of the land—that is, a man who could get actual title to the land—and urging that as a reason why none of that land should pass to private ownership because it would lower the price of production of coal and interfere with the lessee?

Mr. MONDELL. I understand that is true, and it follows that those who own their coal lands in the West—

Mr. GAINES. Do you mean to say, Mr. Chairman, that those who lease the coal land in the Indian Territory can mine it cheaper than the men who own the land?

The CHAIRMAN. Not so cheap; and they protested against the sale of any coal land in fee because the purchasers in fee would be able to drive them out of business by underselling them; that they only had to pay the value of the land, while the lessees would have to pay more.

Mr. GAINES. Because of the excessive royalty?

The CHAIRMAN. They were not complaining of the royalty, but they simply said that the owners of the coal land in fee could drive them out of business.

Mr. MARTIN. As the chairman suggests, that would naturally be the result, although I would like to know from those who have had practical experience what the real result is, because you can buy coal land even, I understand, in the States of Illinois and Iowa to-day for something like \$30 an acre, that is, as to the coal underneath. The average coal vein, as has been testified, is about 6 feet thick throughout the country, and valued at somewhere in the neighborhood of \$100 per acre at a price of 8 cents per ton as represented by 1 foot of coal, or \$600 per acre for the ordinary average 6-foot vein when it is worked out. So there is a difference between paying the market price of something like \$30 per acre if you buy coal land and on the long lease paying something like \$600 an acre if you secure the lands under lease.

Mr. MONDELL. We should remember that the Government price for coal land has always been a high price.

Mr. GAINES. How much?

Mr. MONDELL. Ten dollars and \$20 per acre. Mr. Gebo presented a newspaper clipping advertising coal lands in Kentucky at \$20 an acre near the market. Very many thousands of acres of coal lands have been bought in West Virginia containing the New River seam for all the way from \$5 to \$20 an acre, and in the midst of the best market in the world.

The CHAIRMAN. This 8 cents a ton is for the mine run. That is equivalent to about 12 cents a ton for the screened coal. In Iowa, where it is leased, it usually runs about 6½ cents a ton for the screened coal, which would be a great deal less, probably about 4 cents, for the mine run.

Mr. MONDELL. As I was saying, I know of no place, unless in the Indian Territory, where a lessee has established a coal undertaking on leased ground.

Mr. BURNETT. Isn't that by reason of the fact that they can not get long-term leases? If the lease ran long enough they could do it, couldn't they?

Mr. MONDELL. If the conditions were satisfactory; in other words, if the lease were as binding as a sale, such as a ninety-nine-year lease, undoubtedly the other conditions being satisfactory, the lessee would go on such land. But they prefer, as the Secretary said the other day, to go on their own land, and build upon their own land, and that is a very expensive proposition. Some coal operators do lease some outlying lands, but we must take this into consideration: Leasing from the Government and leasing from an individual are two very different and distinct things. Should

I lease land on a certain royalty for screened coal of an individual, and should there be any question arising between us of size of mine screens, of how I should mine, of how far I should drive in a certain direction, or whether or no I should leave a certain area of poor coal, of how and where I should pull my pillars, and there could be no agreement between us, the case would be taken into court and I should know that I would have a fair hearing. How would it operate under a Government leasing system? There would be a lease, it is true, in general terms, relating to certain things, but such a lease can not, in the nature of the operation, go into complete details. The details must necessarily be left between the operator and the lessor.

In this case the lessor is the sovereign who can not be reached in the courts, and would be represented by some understrapper who may be reasonable and who may not be reasonable; who may require of the lessee things that it is utterly impossible for him to do and carry on a paying operation; who may require him to mine coal that he can not profitably mine and sell in competition with his neighbor, and maybe compel him to mine it along certain lines in accordance with the notion of a Government inspector, and which may be impracticable; and if the lessee object he has no recourse against the sovereign—the Government—and as in the name of liberty some of the most atrocious crimes of history have been committed, so in the name of government some of the greatest injustices of history have been perpetrated, and republican forms do not avail to prevent the injustices of bureaucracy.

The CHAIRMAN. In that connection, a very large area of the coal lands of Wyoming, where you are familiar with the situation, is now under private ownership in various ways, some of it under the coal-land law and a great deal of it under railroad grants; is that true?

Mr. MONDELL. No; I would not say that that was an entirely fair statement. I should say that of the coal lands of Wyoming a very small percentage is in private ownership, though undoubtedly a considerable area of lands taken in good faith under other laws may be found to contain coal.

The CHAIRMAN. Have you an idea, approximately, how many hundreds of thousands of acres?

Mr. MONDELL. There have been 70,000 acres taken under the coal-land law in Wyoming, and 16,000,000 acres have been withdrawn. It is a very simple proposition in mathematics as to what proportion that is.

The CHAIRMAN. That does not cover the question quite. How about these railroad grants?

Mr. MONDELL. We do not know how much of the land grant of the Union Pacific Railroad is underlaid with good coal. We do know that the Union Pacific Coal Company, which is supposed to be connected with the Union Pacific Railroad Company, has within the last year or two acquired some coal lands from the public domain and is mining thereon, and that its newest operation is partly, at least, on land not of the railroad land grant. I presume, however, there is considerable good coal, possibly quite an area, on the Union Pacific land grant. But outside of the Union Pacific land grant there is comparatively little coal land, in my opinion, held by private individuals.

The CHAIRMAN. Isn't there quite a good deal taken under the homestead law that has been patented in good faith, the parties not knowing that it contained coal?

Mr. MONDELL. I would say that probably in some of the valleys of the State there will ultimately be coal discovered under the lands which have been taken under the homestead law by settlers in good faith. There may be a considerable area of such land.

The CHAIRMAN. You live in a coal-mining region; that is the principal business of the region that you represent?

Mr. MONDELL. I represent the entire State, and our State is the second largest producer of coal in the intermountain West.

The CHAIRMAN. I will ask you if you think it possible for any mining company to go into Wyoming and pay 8 cents a ton to the Government with the restrictions of the "La Follette bill" and open a mine at all in competition with your people who own the land?

Mr. MONDELL. My individual opinion is that if that were the only way in which coal could be mined in Wyoming on what is now public land there would not be a mine opened in twenty years.

Mr. GAINES. Have you tried it?

Mr. MONDELL. I went into Wyoming partly to prospect for coal twenty years ago. I went to a point 100 miles from the nearest railroad where a very thin seam of semibituminous coal not over 18 inches thick had been discovered. We looked up Government publications to ascertain the probability of coal occurring in the region. I found that Professor Jenney had carefully examined that country and decided that there was no coal in the Black Hills region of Dakota and Wyoming; and further, he demonstrated to his satisfaction that the geological formations were such that there could be no coal there. I took my party out in the winter, and we camped on a bleak mesa in 2 feet of snow. We went down into a gulch, built a little cabin, and moved into it on Christmas day. Our little party then proceeded to prospect for coal. The only sign of coal in the region was a small exposure at the head of a canyon less than 20 feet in length where successive waterspouts had eroded the canyon back a great distance into the table-land and finally exposed the unburned portion of the vein.

With that exception there was not in the region, or within many miles of there, any coal cropping or sign of coal. For many months we continued our prospecting in that vicinity, during which time we drove entries into the hillsides in each direction on the coal vein, knowing that the vein we were working was not thick enough to pay to mine, but hoping that we would learn by driving in which direction the vein was thickening. We studied the rocks and formations, the strata in the canyon below and above us, and finally secured some definite idea of the geological structure above and below where the coal occurred in the localities where we were operating. With that information our parties went out into the surrounding territory. We worked for nearly two years. We expended many thousands of dollars before any coal was discovered of workable thickness. Finally we were fortunate enough to discover a place where by driving 250 feet through the broken debris of the hillside we struck the unburned coal of workable thickness and quality and a large mining operation was undertaken.

Mr. GAINES. How much money did you put into it?

Mr. MONDELL. I didn't have the money to put in; I put in two years' time and the money of other people mostly, many thousands of it, before we were satisfied that a profitable coal mine could be opened. I severed my connection with the property after a few years.

Mr. MARTIN. That was the beginning of what has been since the Cambria and Newcastle coal-mining operations?

Mr. MONDELL. Yes.

Mr. MARTIN. Is not that in a large measure illustrative of the manner in which these enterprises have their initial start throughout the western coal country?

Mr. MONDELL. I think so.

Mr. GAINES. Do you mean to say that it is that hard to find coal everywhere in the West?

Mr. MONDELL. No; because the poorest coal in the country is generally exposed.

There are many regions in our State where the poorer lignites are exposed so that on riding through the country on horseback you can see the exposed coal, often 20 or 30 feet thick. But those coals, in the main, are of no present value. The time may come, and probably will, when those coals will be worked; but at the present time a market could not possibly be obtained for them. It would not pay to work them. The coals that are really valuable often, for various reasons, become more or less covered on the crop and it requires a good deal of prospecting to uncover them, and, further, not only to uncover but to do the development work to prove that a mine at a certain point can be profitably worked. You can not work a coal vein wherever you happen to run onto it; you must have the conditions—if on a cropping, or at the point where you sink—for railway tracks, for houses, for various structures necessary for mining operations. You must be assured of a continuous coal vein from the point of entry.

Now, throughout many portions of the West coals are not continuous. At Cokeville a very large sum was sunk in an operation that was not successful owing to the quality of the coal. At Pleasant Valley, in my State, the Union Pacific Coal Company built a very large mine and certainly expended not less than \$350,000. After operating a year, owing to the presence of gas at that point in greater quantity than could be successfully handled and the fact that the seam was not continuously good, they were compelled to abandon it, pull up stakes, and go elsewhere. Throughout that entire region there are coal operations that have been abandoned. The conditions must be satisfactory and a great deal of preliminary work must be done by the individual. Some day we may discover some small pockets of anthracite somewhere in Wyoming and elsewhere in that territory. If it ever is discovered it will be by the prospectors who go into the regions where it is possible that conditions exist favorable to the formation of anthracite coals, and by digging and prospecting.

I spent many weeks one summer, during a vacation, attempting to locate an anthracite field in the northwestern part of my State. I found all of the conditions favorable, and everything pointed to the occurrence of an anthracite field there, excepting that there was no anthracite. There was an intrusive dike cutting up through the country that in a limited degree had metamorphosed the coal vein and brought it almost to the condition of an anthracite, but that condition

only exists a few feet each side of the dike. But somewhere in that region some pockets may be found thick enough and high enough in carbon to constitute a commercial anthracite.

Mr. GRONNA. In brief, as I understand it, your opposition to the leasing system is not because the royalty is too high, but on account of the system.

Mr. MONDELL. On that point I would say that I think an 8-cent royalty is clear out of the question in my country. Why, I don't believe that there is a coal operation in Wyoming that has ever paid net to the owners over 8 or 10 cents a ton. I think that would be considered a good round profit.

Mr. GAINES. What have they sold the coal for?

Mr. MONDELL. From 25 cents to \$1.50 a ton.

Mr. GAINES. How much does the Wyoming coal sell for in Denver?

Mr. MONDELL. Wyoming coal is not shipped to Denver.

Mr. GAINES. Where is it shipped?

Mr. MONDELL. To Omaha, to the Black Hills, to Salt Lake, to Butte—

Mr. GAINES. How much does it sell for in Omaha?

Mr. MONDELL. The distance is all the way from 500 to 700 miles, an exceedingly long coal haul; and necessarily, though the rate per mile is low, the cost of transportation in the aggregate is high, and I think Wyoming coal sells all the way from \$5 to \$7 a ton, depending upon the point from which it comes. But the question of transportation can never be reached by any leasing system, but it can be reached directly through mediums like the rate bill.

You can not say to the lessee from the Government how much he shall pay for freight, or to the railroad company how much it shall charge the lessee for freight, and the reasons why one could not operate such a lease system as the La Follette bill are many-fold: First, you would have 8 cents a ton fixed charge over and above the cost to the private owner; operators would have the fear constantly hanging over them that Federal inspectors or superintendents would not be reasonable and, not being getatable through any process of law, would compel them to do things in the mining of that coal that would render it utterly impossible to carry on a profitable operation. To give an illustration: On the forest reserves—and we have a good administration of the forest reserve—we have a high-minded and intelligent and patriotic gentleman handling the reserves, and yet the stories of what these Federal inspectors compel people to do in the gathering up of brush and chips and pine needles and weeds on their cuttings in the forest reserves, in some instances, would scarcely be believed.

The plain unvarnished tale will reveal an extraordinary condition of affairs of what Federal inspectors require. Each inspector coming into a reserve feels it necessary to do something to earn his salary and put an additional cock feather in his cap. He must of necessity require something more of the lessee than the man who went before him. For instance, the usual lumbering crew on one cutting in a reserve in my State consists of two men with saws, two men with axes, and four men with garden rakes and pitchforks to rake and pile brush and chips; and this in the bowels of the mountains and a thousand miles from nowhere. And why? Because that is scientific forestry; because that cutting is on the way to the National Park, it is

a pleasant trip for an inspector. They all like to go that way. It is just a little ways from there up into the park, and after the inspection men may have a pleasant trip among the geysers. And having gone there, they must have a reason for having done so, and therefore if the man before you said that the brush must be piled, you must say that the pine needles must be raked; and if the other man had said the reverse, you must say that the brush must be piled and the chips gathered; and if the man before had said that you must make a compact pile of brush, he will say that you must cut the brush in 4-foot lengths and pile it as beautifully and tenderly as a gardener out here in front of the Capitol would pile all the débris there.

Mr. ROBINSON. Don't you think you are putting it rather strong?

Mr. MONDELL. I assure you that I am not exaggerating; that all this occurs on forest reserves many miles from the nearest railroad and 40 miles from the nearest farm. Up in the mountains there are brush piles cut 4 feet long and every stick piled at a certain angle specified by the inspector.

Mr. GRONNA. It would seem to me that these gentlemen you speak of are long on patriotism and short on business principles.

Mr. MONDELL. You can not altogether blame the gentlemen. It is the inevitable result of paternalism and bureaucracy, and you can not get away from it.

The CHAIRMAN. Let us get down to the questions before the committee. I would like your views as to whether, with reference to the third bill introduced by me as to the question of all patents issued on lands that are issued as coal lands and off the coal reservation and leased in order to stop fraud. What do you think about that?

Mr. MONDELL. There is some virtue in that proposition. We ought not to, when we are charging the honest entryman under the coal-land laws \$10 and \$20 an acre allow some other man under other laws to acquire coal land for less and come in competition with him.

Mr. ROBINSON. Do you find any serious objection to that bill?

Mr. MONDELL. I regret to say that I have not read that bill. Ours is a new country, it is a developing country, and we do not want it handicapped by experiments, and experiments that have never been successfully tried elsewhere.

Mr. MARTIN. If we are not going to hold after the regular hour of adjournment, I move that a subcommittee of five be appointed, with the chairman of this committee as the chairman of that committee, to consider the various bills that are introduced on this matter and any others that may be promptly introduced, and at an early meeting of this committee, as soon as they are able to do so, make recommendations to this committee upon this general subject of legislation before us.

Mr. BURNETT. Ought not these hearings to be closed before that is done? Mr. Mondell is not through, and I think his arguments ought to go into the record, as the hearings are before the full committee.

The CHAIRMAN. I would like to say to the committee that I left in my room this morning a letter from the President, which I received in the mail last night, saying that of the three bills introduced by me at first, and which have been referred to this committee as Nos. 1, 2, and 3, and which have not yet been reported on by the Secretary of the Interior—that he had personally examined those three bills and was

in favor of the last of the bills, which provided for the withdrawing of coal on all the land and leasing it under royalty, and suggesting also that a bill of like import was about to be introduced by Mr. La Follette. That was the preference of the Executive. We have the views of the Secretary of the Interior on those three bills, and also on the coal-land bill, which is the one that Mr. Robinson moved to have this committee report.

Mr. ROBINSON. You will remember that I also asked the committee to consider the La Follette bill.

The CHAIRMAN. The President has not expressed any view as to that bill. That is the bill which provides that all patents issued, not under the coal-land laws, should reserve coal, gas, oil, and lignite, and where the same is under a leasing system, then, under regulations prescribed by the Secretary of the Interior, should reserve sufficient surface for that purpose.

If we are to have a subcommittee to thrash this matter out, I think that would be a good idea. It would be well to take the bill that the President has indorsed to me and go over it carefully.

Mr. ROBINSON. If we can pass the La Follette bill we can stop the frauds.

The CHAIRMAN. But if we are going to take up the La Follette bill, I want to call attention to just one point, and that is section 10, which says: "That hereafter no patent shall issue to any public lands of the United States until it shall have been determined by the Secretary of the Interior that the lands are not productive in coal or other minerals mined for fuel, oil, gas, or asphalt, and every patent hereafter issued shall reserve to the United States title to all coal or other minerals mined from them," and so forth. The patents will be forbidden, and if a patent is issued it will have to reserve the coal.

Mr. ROBINSON. I will frankly state that I think some features of the La Follette bill ought to be amended.

Mr. GRONNA. It has been suggested that no patent shall be issued to any homesteaders until they have been personally inspected by an inspector. As a matter of fact, with the present force it will take over a thousand years to do that. I want to say that I am opposed to any legislation that will destroy individual effort. I have always been and I suppose I shall always be.

Mr. FORDNEY. Is not every proposition made and presented to this committee in reference to the change of the present land laws an effort on the part of the present Administration or the Department to destroy individual effort?

Mr. GRONNA. That is what I wanted to touch upon. I am opposed to any legislation that will destroy individual effort; but, on the other hand, I want to see such legislation as will give the people of this country the benefits of the public lands.

The CHAIRMAN. You will see that section 11 of the La Follette bill provides that no man shall be permitted to prospect upon public lands without a license from the Secretary of the Interior.

Mr. GRONNA. I am not in favor of passing a bill saying that we can retain coal lands under the coal-land law and then have a law on the statute books that provides that every honest homesteader and settler on the public domain shall be harrassed by these unskilled and, I may say, unbusinesslike inspectors. I know what I am talking about; I have lived in the West all my life. I certainly shall not

agree to report any bill that will say that you can go and take as much land as you want under the coal-land laws, but we will have a law that will say to the homestead settler that you can file on this particular piece of land and you may prove up on it, but before a patent is issued a Government inspector shall come upon your place and he shall say whether there is any workable coal thereon, and whether the land really belongs to you or not. I am not in favor of legislation of that kind.

Mr. MARTIN. Perhaps we had better wait until the hearings are closed before the subcommittee shall be appointed, as has been suggested by the chairman.

The CHAIRMAN. I think the committee should first determine its general line of policy, and then a subcommittee can put that in detail. To press this motion in its present form would be to relegate the whole subject to the opinion of a subcommittee, and we might feel bound to that opinion when the report was made.

Mr. KNÖFF. I shall be absent next week, and I want to be recorded as against any law of any kind.

Mr. FORDNEY. I want to say right now that I never will vote for a proposition that the Government shall lease coal lands. I am ready to pass a law that the coal lands shall not go into the hands of corporations, or obtain title in any way, but I never will support a proposition to have the Government go into the leasing business.

Mr. MONDELL. I think the best proof of the fact that there has not been a monopoly on the mining of coal, outside of the anthracite monopoly, if there is one, is the fact that in the United States to-day the average price of bituminous coal is \$1.10 a ton at the mine, and anyone who knows anything about the coal business knows that under a lease you can not control the question of transportation.

Mr. FORDNEY. Nor you can not control the price.

Mr. MONDELL. And in my country I know from practical experience that operators are constantly competing against each other for business. They want to get the business, are anxious to get it.

Mr. FORDNEY. My position is this: The Government sold rich coal fields in Illinois for \$1.25 an acre, not only for coal, but for agriculture. They sold all the forests in Michigan and Wisconsin, the finest in the world, for \$1.25 per acre. Now they want to put the whole hardship on the intermountain States.

Mr. MARTIN. This question of what shall be done with the coal land of the United States is one of development or nondevelopment of the entire intermountain States. It can never be of any benefit to the Eastern States, because the transportation problem makes it impossible. I am against private monopoly of every kind and have been endeavoring to draw a bill along that line. I do not like public monopoly very much better, but I am willing to go to the extent of permitting some experiments by the Government as to what they can do in the leasing operations.

But as to retarding the improvement and development of the West by the general reservation of all coal land under any such system as proposed by the bill introduced by the Senator from Wisconsin, it seems to me that it is absolutely out of the question. It is very evident that the coal problem anywhere is simply a problem of transportation. You can look through the Government reports and you will find you can buy coal in the East, Middle West, and the West,

and all over that country, and there is sharp competition between the owners of mines as to production and sale. The question with reference to the consumer is one of transportation—how much competition you can get in transportation, and how much competition you can get in the handling of the coal by the dealer—and I think that the Interstate Commerce Commission will find, when they get far enough into this question, that the trouble of which we are all complaining—and it is considerable—arises between the coal owners and the transportation companies, or else it arises in localities where there is not much competition in transportation owing to the newness of the country.

Mr. GRONNA. The great complaint to-day is as to whether you can get the coal or not. Whether the miner is the cause of that or the transportation company is the cause, is the question.

Mr. MONDELL. Be assured, Mr. Gronna, that the miner is getting out every ton of coal that he can get a market for and the men to mine. In my State this winter it has been impossible to get miners enough to mine sufficient coal.

Mr. MARTIN. Mr. Clark, of the Interstate Commerce Commission, said, when before this committee, that you could buy coal of private mines within 100 miles—I don't know but what he said 30 miles—of Denver for \$1 a ton, but by the time it went through the hands of the transportation company and the local dealers there was a marked difference in price—it was about \$5 or \$6 a ton. I am satisfied that the Interstate Commerce Commission is getting at the heart of this matter, and it will find that it is really a transportation problem. Still I am not hidebound on this subject, and am willing to go far enough to give the advocates of the leasing system an opportunity to show whether or not there is merit in their idea, though I am not willing to hold out from sale the vast coal areas in the intermountain States while that is being tried.

Ajourned at 12.20 p. m.

DEPARTMENT OF THE INTERIOR,
Washington, January 23, 1907.

The CHAIRMAN OF THE COMMITTEE ON THE PUBLIC LANDS,
House of Representatives.

SIR: Referring to your communication of the 9th instant, inclosing for my consideration three separate bills upon the coal-land question, I have the honor to advise you that after conference with the President we have concluded that H. R. bill 23552, entitled "A bill to authorize the withdrawal from entry of all gas, oil, lignite, and coal upon the public lands, and providing for the leasing of the same," is the best of the three bills, as apparently its effect, generally speaking, will be the same as the bill of Senator La Follette introduced yesterday.

I return herewith manuscript copy of the bill (proposition No. 4) submitted with your communication of the 16th instant for consideration in connection with the other three bills mentioned.

Very respectfully,

E. A. HITCHCOCK, *Secretary.*

A BILL Reserving coal, oil, and gas upon the public domain in lands not disposed of under the coal-land laws, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That hereafter all patents issued under entries made after the passage of this act for any of the public lands, under any and all laws except the coal-land laws, shall contain a reservation of all

the coal, oil, and gas under or contained in such land, and shall reserve the right to explore, mine, operate, and produce the same, together with the right of all necessary surface for the operation and production of mining works, gas or oil works upon said lands; and all entries of the public lands hereafter made and titles acquired thereunder shall be subject to the reservation aforesaid: *Provided*, That the entry, patenting, or operation of oil and gas lands under the placer-mining law shall not be affected by this act.

SEC. 2. That the Secretary of the Interior is authorized to lease the coal, oil, or gas that may be hereafter discovered upon any of the lands patented as provided in this act, and the lessees shall have the right to explore, mine, and operate the works or plants necessary to produce the coal, oil, or gas in and upon said lands, with all necessary surface rights for right of way for railways, tramways, shafts, drill holes, machinery, dumps, air and water shafts, escape shafts, buildings for use of machinery and offices, waste dumps, drains, pumping works, waste water from pumps or drains, and other surface rights necessary for the operation of such works.

SEC. 3. That this act shall not apply to any lands which may be entered or patented under the coal-land laws.

SEC. 4. The Secretary of the Interior shall make rules and regulations to carry out the purposes of this act, and he may lease the coal, oil, and gas upon such patented lands upon such terms and conditions as to royalty as he may prescribe.

SEC. 5. All acts and parts of acts in conflict with this act are hereby repealed.

(On motion of Mr. Robinson, the following Senate bill was directed to be printed in the hearings:)

[S. 8013, Fifty-ninth Congress, second session.]

A BILL Reserving from entry and sale the mineral rights to coal and other materials mined for fuel, oil, gas, or asphalt, upon or underlying the public lands of the United States, and providing for the sale of the surface of public lands underlain with or containing coal or other minerals mined for fuel, oil, gas, or asphalt, and providing for the leasing of the mineral rights in such lands.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all acts and parts of acts inconsistent with the provisions of this act are hereby repealed, but nothing herein contained is to be construed as impairing any vested rights which have accrued before the passage of this act.

SEC. 2. That all public lands of the United States containing coal or other minerals mined for fuel, oil, gas, or asphalt are hereby reserved from entry and sale, and hereafter it shall be unlawful to enter upon or to dispose of said lands except as hereinafter provided.

SEC. 3. That any person above the age of twenty-one years who is a citizen of the United States, or who has declared his intention to become such, or any association of persons severally qualified as above, corporate or otherwise, shall have the right to apply for a license to raise coal or other minerals mined for fuel, oil, gas, or asphalt, or any number of said minerals on areas not exceeding five governmental sections of land, and to use so much of said area as shall be determined by the Secretary of the Interior to be necessary to the proper conduct of the business: *Provided*, That no common carrier or association, any member of which is an officer, agent, or shareholder, or in any manner interested in the business of any common carrier, or any person who is an officer, agent, or shareholder, or in any manner interested in the business of any common carrier, shall be permitted to hold a license under the provisions of this act: *And provided*, That no person or association, corporate or otherwise, shall receive licenses to more than one area, and no association, corporate or otherwise, any member of which is a licensee or is interested in any association, corporate or otherwise, which is a licensee, shall be permitted to hold a license under the provisions of this act.

SEC. 4. That applications for licenses shall be made in duplicate in writing to the registers of the land district in which the proposed area is situated or to some register or other officer to be designated by the Secretary of the Interior, if the land is not situated within any land district, and shall contain a statement of the mineral or minerals proposed to be mined and the definite location and amount of the proposed area, together with a plat thereof, scale one hundred

feet to an inch, and a statement upon oath, in case the applicant be a corporation, to be made by a duly authorized officer of the corporation, that the applicant or applicants are to exercise the license for their own benefit and for the benefit of none other, corporate or otherwise, that they are duly qualified under the provisions of this act, and a statement on oath of all the public lands of the United States entered or owned or leased or held under license by the applicant or any member of an association, corporate or otherwise, which may be an applicant; and if the applicant be a corporation, a complete list of its officers and stockholders, with their several places of residence, duly sworn to by the officer having charge of the corporate records, and individual certificates that no one of them is in any manner interested in the business of any common carrier, to be sworn to by the officers and stockholders, and statements of such other facts necessary to the proper execution of the act, as the Secretary of the Interior may require.

SEC. 5. That if the application be found to be in proper form, one copy thereof, together with a copy of the plat and field notes, shall be filed in the office of the register or other designated officer, and the other forwarded to the office of the Secretary of the Interior, together with a copy of the plat and field notes to be recorded in his office. If he finds that the application contains a true statement of all facts by law required, he shall direct the register or other designated officer to cause the applicant or applicants to publish in some newspaper published within or near the proper land district once a week for six consecutive weeks a description of the area, and post upon the land in a conspicuous place a copy of the plat, together with a notice of the application for a license, which shall also be posted in the office of the register or other designated officer, and at the expiration of sixty days after the date of posting and publication the applicant or applicants shall file in the proper land office a copy of the notice and affidavit of at least two persons that the plat and notices were duly posted for sixty days in the land office and on the proposed area. If no adverse claim shall have been filed in the register's or other designated officer's office at the expiration of thirty days after the filing of the affidavit, it shall be assumed that the applicant is entitled to a license, and that no adverse claims exist; and thereafter no objection from third parties to the issuance of a license shall be heard, except it be shown that the applicant has failed to comply with the terms of this act.

SEC. 6. That the license which shall be issued by direction of the Secretary of the Interior in the name of the United States shall be subscribed by the licensee or licensees, or, if the licensee be a corporation, by a duly authorized officer thereof, and shall contain the following:

First. An accurate description of the area by Government subdivisions or by bounds and monuments.

Second. The term of the license, which shall not be longer than thirty years.

Third. A covenant on the part of the licensee or licensees to pay a rent of not less than ten cents per acre, to be paid annually in advance, the said rental charge to be fixed by the Secretary of the Interior, which rent shall be abated by the amount paid in royalties, and shall be wholly abated when the royalties hereinafter provided equal the rent charge.

Fourth. A covenant to pay a royalty to the United States Government of not less than eight cents per ton on all coal or other mineral mined for fuel, and not less than sixty cents per ton upon mineral mined for hard asphalt, and of not less than fifteen cents per barrel of mineral mined for soft asphalt, and not less than one-sixth of the value of the product of any oil well, and not less than fifty dollars per annum for each gas well not utilized and at a rate of not less than one cent per thousand cubic feet of gas when the product of such well is utilized at the works, exclusive, however, of coal dust and coal or other mineral mined for fuel, oil, gas, or asphalt, used about the works. In determining the amount of royalty which shall be paid for the mining of coal or other mineral mined for fuel, oil, gas, or asphalt, the Secretary of the Interior shall give consideration to proximity to transportation facilities, to market conditions, and such other circumstances and conditions as affect the business.

Fifth. Covenants for securing the proper and effectual working of the coal or other mineral, oil, gas, or asphalt; for the observance of all lawful rules and regulations and provisions of law relative to the safety of employees; for the proper protection of the surface of licensed areas, and for the surrender of said works at the expiration of the license.

SEC. 7. That every license granted under the authority of this act shall be deemed to have been granted and accepted subject to the following reservations and conditions:

First. The surface of the soil, water, and water courses shall be and be deemed to have been excepted from the license granted, except so much thereof as may be necessary for the proper conduct of the business, to be determined under such rules and regulations as the Secretary of the Interior may prescribe.

Second. Rights to the surface of such areas for the purposes of agriculture may be patented under the laws in force, but such patents shall except so much of the surface as may be necessary for the proper conduct of the business of licensees.

Third. The licensee or licensees of any area the surface of which has not been entered for agricultural purposes shall have the right to cut a limited amount of timber for the construction of necessary railways, rolling stock, plant, and other purposes incidental to the safe and proper operation of the works and the protection of the surface of the licensed areas, but the permission of the forestry service to cut such timber shall first be obtained: *Provided*, That upon the entry of such surface for agricultural purposes the permit of the licensee or licensees to cut such timber shall terminate.

Fourth. The licensee or licensees shall and will permit any duly authorized agents, inspectors, viewers, workmen, servants of the Government of the United States, or any other person or persons who may be appointed by any proper governmental authority, to enter upon the land, mines, works, and premises at all reasonable times and to survey and inspect and make plans thereof and to see whether the said mines and works are in good and substantial order, condition, and repair and are ventilated, worked, managed, and carried on in a proper and workmanlike manner, and to view timber, according to the true intent and meaning of such license and the provisions of this act; and the licensee or licensees, by means of their agents and other workman, shall and will help and assist such person or persons so entering as aforesaid and permit them to have the use of engines, implements, and utensils for the purpose of such inspection, as aforesaid.

Fifth. The President may at any time during the term of the license resume the occupancy of the land and premises, subject to compensation being paid for such resumption to the licensee or licensees, such compensation to be determined in the district court of the United States having jurisdiction in the district in which the licensed area is situated, or, if the area be situated in the Philippine Islands, in the proper court of first instance, with appeals in the cases provided by law, and to include the value of the good will of any mine, works, and premises taken, and such licensee or licensees shall be indemnified and protected against all contracts and engagements not made in anticipation of such reoccupancy then existing in reference to the said mine, works, and premises, and from all claims and demands in respect thereof, respectively; but no compensation shall be paid for any mineral remaining in the land.

Sixth. If the licensee or licensees suspend operations or neglect to carry on such operations, except in the case of accident or other unavoidable cause, in accordance with the terms of their license, for a period of three months, the Secretary of the Interior may serve on them a notice specifying the particular breach complained of and requiring it to be remedied; and if the licensee or licensees shall not, within three months after the service of such notice, remedy the breach, the Secretary of the Interior, by agent duly appointed, may enter on the premises and take possession of all buildings and improvements thereon and determine the license.

In any proceedings by action or otherwise to enforce such right of entry or forfeiture the licensee or licensees may in the action, if any, or in any action brought by himself, apply to the district court or court of first instance having jurisdiction in the district where the area is situated for relief, and the court may grant or refuse relief, having regard to the proceedings and conduct of the parties, and to all the other circumstances; and in case of relief may grant it on such terms as to compensation, costs, or otherwise as the court in the circumstances of each case deems just and lawful. In the event of forfeiture and entry as aforesaid the licensee or licensees shall be allowed two months from date of entry to remove all machinery, plant, and trade fixtures (but not buildings), or shall be entitled to receive and be paid compensation therefor, to be determined as above.

Seventh. If at any time during the term of their license the licensee or licensees neglect or refuse to pump water out of any underground working for

three days after the inspector has given them notice in writing to do so, the inspector may, if it shall appear that such neglect or refusal to pump the water is likely to injure the rights of persons having the agricultural right, or to be prejudicial to safety of employees or to the prejudice of the United States as proprietor, enter upon the premises and take possession of the pumping machinery, and employ men to work such machinery for pumping out the said workings at the cost of the licensee or licensees, and any costs so incurred shall be deemed to be a debt due to the United States by the licensee or licensees, and each of them.

Every licensee, agent, or manager of every mine shall keep in the office at the mine an accurate plan of the workings of the mine, showing the workings up to a date not more than three months prior thereto, and the general direction and rate of dip of the strata, together with a section of the strata sunk through, or if that be not reasonably practicable, a statement of the depth of the shaft, with a section of the seam; and shall, at any time, on request of an inspector under this act produce to him at the office at the mine such plan and section, and shall also on the like request mark on such plan and section the then state of the workings of the mine; and the inspector shall be entitled to examine the plan and section, and for official purposes only to make a copy of any part thereof, respectively; and the licensee shall on or before the thirtieth day of June of each year file with the Secretary of the Interior a blueprint or other accurate reproduction or copy of the plan and section herein specified.

If the licensee or agent or manager of any mine fails to keep or willfully refuses to produce or allow to be examined the plan and section aforesaid, or willfully withholds any portion thereof, or willfully refuses, on request, to mark thereon the state of the workings of the mine, or conceals any part of those workings or produces an imperfect or inaccurate plan or section, or neglects to file with the Secretary of the Interior a reproduction or copy of the plan and section as herein provided, he shall, unless he shows that he was ignorant of the concealment, imperfection, or inaccuracy, be guilty of an offense against this act; and, further, the inspector may, by notice in writing, whether a penalty for the offense has or has not been inflicted, require the licensee or agent or manager to cause an accurate plan and section, showing the particulars hereinbefore required, to be made within a reasonable time at the expense of the licensee. Every such plan must be on a scale of not less than one hundred feet to an inch, or on the same scale as the plan for the time being in use at the mine.

If the licensee, agent, or manager fails within twenty days after the requisition of the inspector, or within such further time as may be allowed by the Secretary of the Interior, to cause such plan or section to be made as hereby required, he shall be guilty of an offense against this act.

Eighth. Where any mine or seam is abandoned, the licensee of the mine or seam at the time of its abandonment shall, within three months after the abandonment, send to the Secretary of the Interior an accurate plan of the mine or seam, being either the original working plan, a blueprint, or other reproduction, or an accurate copy thereof made by a competent draftsman and showing—

(a) The boundaries of the workings of the mine or seam, including not only the working faces but also all headings in advance thereof, up to the time of abandonment;

(b) The pillars of coal or other mineral remaining unworked;

(c) The position, direction, and extent of every known fault or dislocation of the seam with its vertical throw;

(d) The position of the workings with regard to the surface boundary;

(e) The general direction and rate of dip of the strata; and

(f) A statement of the depth of the shaft from the surface to the seam abandoned and a section of the strata sunk through, or, if that is not reasonably practicable, a statement of the depth of the shaft with a section of the seam; and every such plan must be on a scale of not less than one hundred feet to an inch or on the same scale as the plan used at the mine at the time of its abandonment, and its accuracy must be certified, so far as is reasonably practicable, by a surveyor or other person approved in that behalf by an inspector of mines; and the plan and section shall be preserved under the care of the Secretary of the Interior.

Ninth. Every licensee shall begin actual operations within a reasonable time after the receipt of the license; such time and the minimum amount of product

to be annually taken from such mine shall be fixed by the Secretary of the Interior.

Tenth. No licensee, or any agent of any licensee, shall employ or permit the employment of any boy under the age of fourteen years, and no girl or woman, without regard to age, shall be employed or be allowed to be, upon business of a licensee, in any mine below the surface; and the inspectors appointed under this act shall see that this provision is obeyed, and report violations thereof to the Secretary of the Interior.

Twelfth. When in or about any mine, whether above or below ground, either loss of life or any personal injury whatever to any person employed in or about the mine occurs by reason of any explosion of gas, or of any explosive, or of any steam boiler, or loss of life or any serious personal injury to any person employed in or about the mine occurs by reason of any accident whatever, the licensee, agent, or manager of the mine shall, within twenty-four hours next after the explosion or accident, send notice in writing of the explosion or accident and of the loss of life or personal injury occasioned thereby to the inspector of the district on behalf of the Secretary of the Interior, and shall specify in the notice the character of the explosion or accident and the number of persons killed and injured, respectively; and where loss of life or serious personal injury has immediately resulted from an explosion or accident the place where the explosion or accident occurred shall be left as it was immediately after the explosion or accident, or until the visit of the place by an inspector, whichever first happens, unless compliance with this enactment would tend to increase or continue a danger or would impede the working of the mine. Where any personal injury, of which notice is required to be sent under this section, results in the death of the person injured, notice in writing of the death shall be sent to the inspector of the district, on behalf of the Secretary of the Interior, within twenty-four hours after such death comes to the knowledge of the licensee, agent, or manager, and every licensee, agent, or manager who fails to act in compliance with this section shall be guilty of an offense against this act.

And every such license hereafter granted shall be read and construed as if such exceptions, reservations, and conditions were set out in such license in words at length.

SEC. 8. That to secure the rent, royalties, and debt herein provided for the United States shall have a lien upon all property of the licensee or licensees used in the conduct of their business, including any structures erected upon the licensed areas and any minerals not sold to bona fide purchasers.

SEC. 9. That the licenses shall terminate by operation of law if the licensees conduct their business in a wasteful or extravagant manner, and as to those participating therein, directly or indirectly, if there be any violation of the act of July second, eighteen hundred and ninety, chapter six hundred and forty-seven, entitled "An act to protect trade and commerce against unlawful restraints and monopolies," or of the act of August twenty-seventh, eighteen hundred and ninety-four, chapter three hundred and forty-nine, sections seventy-three to seventy-seven, inclusive, or of any acts additional or amendatory thereto, and if any individual licensee or association, corporate or otherwise, or member thereof, shall acquire any interest in the business or in any manner come under the control of any common carrier: *Provided*, That if such interest be acquired by will or descent by law a reasonable time shall be allowed for the disposal of such interest: *And provided further*, That any member of an association, corporate or otherwise, to which a license has issued who has acquired an interest, other than by will or descent by law, in the business of any common carrier shall forthwith dispose of such interest or be disqualified to remain a member of such association as long as it shall hold its license; and if two or more licensees shall combine in any manner whatever as to the ownership of licenses, operation of licensed areas, or as to the ownership or sale of any of the products thereof.

SEC. 10. That hereafter no patent shall issue to any public lands of the United States until it shall have been determined by the Secretary of the Interior that the lands are not productive in coal, or other minerals mined for fuel, oil, gas, or asphalt, and every patent hereafter issued shall reserve to the United States title to all coal or other minerals mined for fuel, oil, gas, and asphalt which may at any time be found thereon, and the right to license raising of the same: *Provided*, That where prior to the passage of this act entry has been made under the laws of the United States and patent to the land has not been issued, the patent shall contain a clause which shall protect the patentee, his

heirs or assigns, against loss or damages caused by any mining operations undertaken under the provisions of this act. Before any licensee of such land shall be permitted to enter upon the same for the purpose of prospecting or conducting any mining operations such licensee shall by agreement with the owner of the surface determine the amount of such surface necessary to be used for such operations and the compensation to be paid by the licensee therefor. In the event that the owner of the surface and the licensee can not agree as to the amount of such surface necessary to be used for such operations or the compensation to be paid therefor, the licensee may file a petition in the district court of the United States having jurisdiction within the district in which the licensed area is situated to determine the portion of said surface to be used in said operations and the compensation to be paid therefor, which shall be paid within a reasonable time or the license shall terminate.

Sec. 11. That prospecting upon the public lands of the United States for any of said minerals shall be done only by licensed persons, who shall apply to the Secretary of the Interior, filing a sworn statement that they are not, directly or indirectly, in the employ of any person or association, corporate or otherwise, not qualified to be a licensee under the provisions of this act, and who shall receive a prospecting license.

Sec. 12. That licensees must at all times furnish their products to the United States and to the public at reasonable prices.

Sec. 13. That nothing herein contained shall be construed as conflicting with the power of the President to order, from time to time, reservations of the public lands of the United States in the cases authorized by law, or to prevent the United States from constructing or authorizing the construction of public works on licensed areas where the surface of said licensed areas have not been entered.

Sec. 14. That any person or association, whether corporate or otherwise, or any member thereof offending against any provision of this act shall be subject to a fine for each offense of not less than one hundred dollars and not more than five thousand dollars, or to imprisonment for not less than six months nor more than five years, or to both such fine and imprisonment.

Sec. 15. That the Secretary of the Interior is hereby authorized and directed to order convenient inspection districts, and to appoint competent persons from time to time as occasion requires, who have passed an examination by the Civil Service Commission and who are practical coal miners or certified to be mining engineers, to be inspectors, to whom shall be paid a salary of two thousand dollars per annum and who shall hold their office for the term of two years unless sooner removed. The operations of licensees shall at all times be carried on with due regard to the safety of employees and other persons and in conformity to the rules and regulations which shall be issued by the Secretary of the Interior, and have the force of law, for protecting the surface of licensed areas, the safety of employees of any licensee or licensees under this act, and other persons, and it shall be the duty of the inspectors to see that said rules and regulations are obeyed; and any licensee or any agent, officer, or employee thereof who fails to obey any such rule or regulation shall for each offense pay a fine of not less than five dollars nor more than one thousand dollars or be imprisoned for not less than ten days nor more than one year, or both such fine and imprisonment.

Sec. 16. That licensees shall make, on the last day of each month, during the term of their licenses, written statements, duly sworn to by the licensee, his agent or manager, showing, by tons, barrels, or per thousand cubic feet, as the case may be, the daily output of coal or other substance mined for fuel, oil, asphalt, or gas for the month; and the royalties hereinbefore provided shall be paid to the United States or the Philippine government on the last day of each month, and shall be based upon such sworn statements, copies of which shall be filed in the office of the Secretary of the Treasury by the licensees; but the United States, by agents duly authorized by the Secretary of the Interior, shall have the right at all times to inspect the books and papers of licensees and to test the truth of the monthly statements by directing examinations of such books and papers by experts; and if it shall appear that the sworn statement does not contain a correct account of the licensee's product royalties shall be paid according to the true account so ascertained: *Provided, however,* That the licensee may apply to any district court of the United States or any court of first instance having jurisdiction in the district within which the licensed area is situated, with appeals in the cases provided by law,

and said courts shall have jurisdiction to determine the truth of any such sworn statement, to render judgment thereon as to the rights of the parties.

Any licensee, agent, or manager making a fraudulent monthly statement shall be punished by a fine of not less than one hundred dollars nor more than one thousand dollars, or by imprisonment for not less than thirty days nor more than one year, or by both such fine and imprisonment.

SEC. 17. That every licensee of mineral rights hereunder shall protect the surface against all subsidence, and in case any subsidence occurs such licensee shall be liable for all damages occasioned thereby.

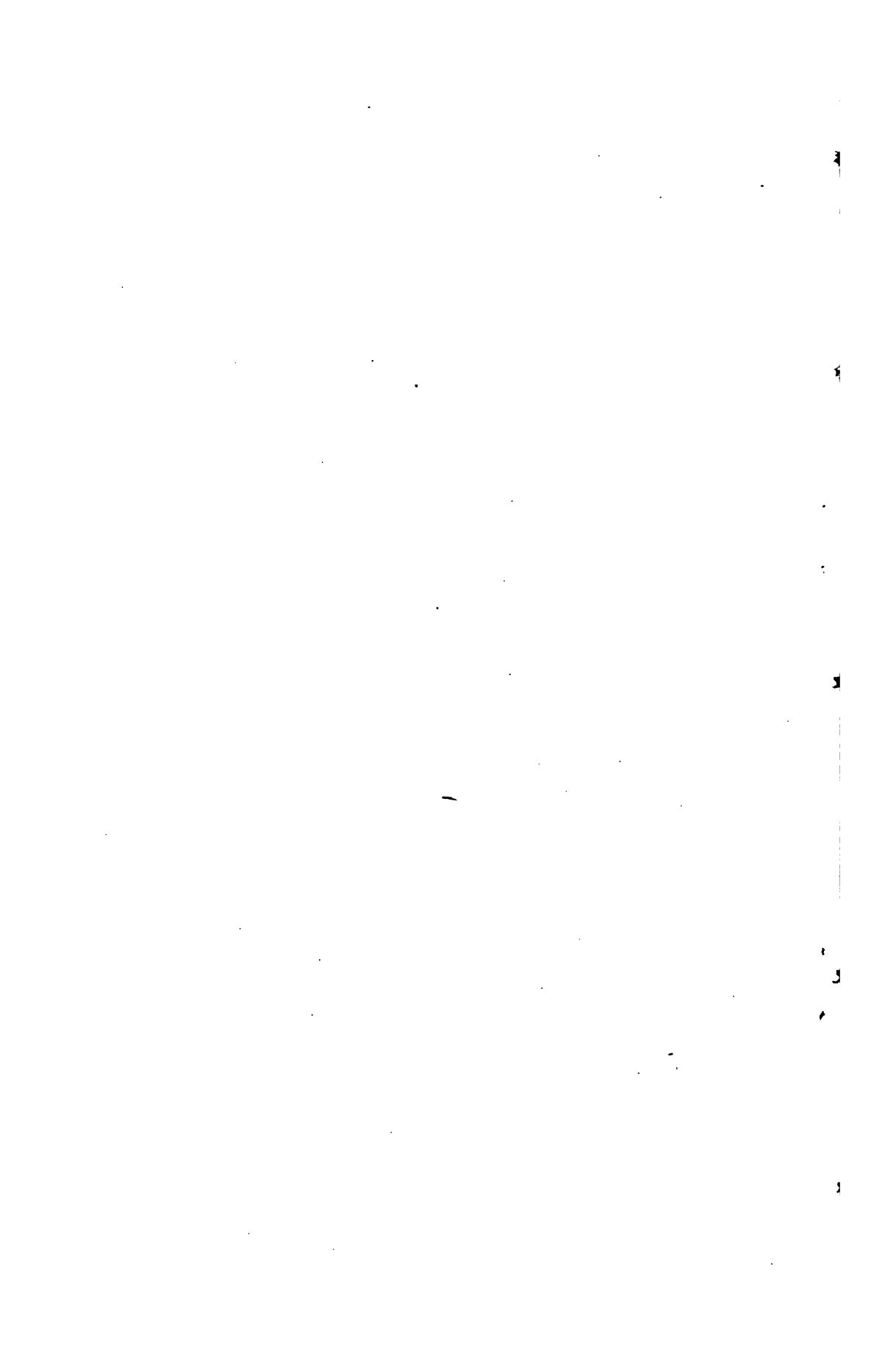
SEC. 18. That any officer or agent or employee of the United States who shall aid in or permit any violation of this act or any lawful rule or regulation made under its provisions with intent to defraud the United States shall be punished by imprisonment for not less than one year and not more than five years.

SEC. 19. That the provisions of the act of July first, nineteen hundred and two, chapter eighteen hundred and thirty-nine, entitled "An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," inconsistent with the provisions of this act are hereby repealed, and the provisions of this act in the Philippine Islands shall be administered by the Philippine Commission through its secretary of the interior and its secretary of finance and justice and other officers, and the powers herein vested in the Secretary of the Interior and other officers shall be deemed to be vested in the secretary of the interior and other similar officers in the Philippine Islands under the direction of the Philippine Commission.

SEC. 20. That the provisions of this act shall apply to all the public lands of the United States, wherever situated.

SEC. 21. That the district courts of the United States and the courts of first instance in the Philippine Islands shall have jurisdiction of all suits for penalties for forfeiture and debt incurred hereunder and of all offenses against this act.

SEC. 22. That the buildings, machinery, and other improvements of any licensee or licensees upon such licensed areas, together with the product of any mine or well located upon any licensed areas and mined for coal, or other minerals mined for fuel, oil, gas, or asphalt, shall be deemed to be and be personal property, and shall be subject to taxation as other personal property, under the laws and for the benefit of the State or Territory in which such licensed area is located. The provisions of this section shall apply to similar property located upon Indian reservations and Indian allotments.



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COAL LANDS AND COAL-LAND LAWS OF THE UNITED STATES.

COMMITTEE ON THE PUBLIC LANDS,
HOUSE OF REPRESENTATIVES,
Washington, D. C., January 25, 1907.

The committee met at 11 o'clock a. m., Hon. John F. Lacey in the chair.

The CHAIRMAN. Gentlemen, is there any further evidence to be given or entries to be made in the hearing on the coal lands?

Mr. ROBINSON. I understand Mr. Martin wishes to make a statement.

Mr. MARTIN. Mr. Chairman, of course the question of what is to be done with the public coal lands now remaining and belonging to the United States is a question of the development of the intermountain West, because all the public coal lands the Government has now remaining are in that locality, and it is significant that the coal movements of the country have always been from east to west.

Anthracite coal from eastern Pennsylvania is consumed clear out to the Rocky Mountain Range, and coal from Ohio and other Middle States is stored by the millions of tons in Duluth and at the head of the water navigation of the Great Lakes, and furnishes the supply for North Dakota and to some extent the eastern part of South Dakota, and all of the country east of the Missouri River is practically supplied with coal from the Middle and in some instances the Eastern States. On the other hand, when you reach the Rocky Mountain Range and the country tributary to that which lies west of the Missouri River, embracing it in one general phrase, the country is being rapidly supplied with coal from its own mines, and it is through that area from British Columbia to Mexico that the remaining public coal lands are to be found. It has been in evidence here from Mr. Gebo, who seems to be very well posted on the subject—and we got some information from newspaper reports as well—that there is in that region even, that depends upon its own locality to supply its coal, quite a coal shortage this year. Mr. Gebo places it at 25 per cent of shortage and prophesies that unless there is given an impetus to the further development of coal mines in that section of the country during the next twelve months there will be a shortage of at least 40 per cent one year from now.

Mr. SMITH, of California. Do you think Mr. Gebo had any exact information on that subject?

Mr. MARTIN. I think he had the most exact information upon the subject that has been brought to our attention, and he cited instances of public schools not having sufficient coal—

Mr. SMITH, of California. There is no doubt there is a shortage.



COAL LANDS AND COAL-LAND LAWS OF THE UNITED STATES

COMMITTEE ON THE INTERIOR

HOUSE OF REPRESENTATIVES

WASHINGTON, D. C.

The committee met at 11 o'clock a. m. on Monday, January 14, 1902, at the committee room, House of Representatives, under the chairmanship of Mr. Chairman.

The CHAIRMAN, Mr. Robinson, called the committee to order. He cited the following cases given or entries to be made in the public land records:

Mr. ROBINSON. I understand that the following cases have been made on line and

Mr. MARTIN. Mr. Chairman, the following cases have been made on line and

be done with the public land records. The following cases have been made on line and

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stances where they were not true.

of coal land for his own exclusive use.

benefited by it; but he expects to get that

of the coal or the coal land to some other

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do not know whether it has been brought to your

I would like to make the suggestion here that

cases have been made under what is known as the

them under the coal-land law, and where the entry-

statement at any stage of the proceeding

land for his own exclusive use and benefit, in some

where the transfers were made, or where a number of

dated, the Department's agents have pursued the

though they were guilty of a crime, and have loudly

acts as being fraudulent and contrary to law

Mr. MARTIN. And instances of that kind where they were not able to get coal. I base my statement as to the cause of the local shortage very much upon the testimony of Mr. Gebo. That there has been a shortage has been evident. So far as the locality in which I live is concerned, the Black Hills country of southwestern South Dakota, which draws its coal from the Wyoming fields chiefly, I am satisfied there has been no real suffering.

Mr. ROBINSON. Do you regard this shortage as the result of a reduction in the output at the mines or inadequate transportation facilities?

Mr. MARTIN. So far as I have observed the problem from my own observation I think the shortage has been caused by difficulties of transportation. Mr. Gebo, however, has testified—and his range of knowledge seems to be very wide—that there is an actual shortage in the mining output of something like 25 per cent or in that neighborhood this year.

Three things have been brought out thus far in these investigations that have been in the nature of a surprise to me as bearing upon this great coal problem. The first important fact is that the coal supply of the United States is much more vast and likely to be much more permanent than I had supposed. From the best information before the committee thus far the coal area of the United States is something like 256,000,000 acres. Experts here have testified that the amount consumed up to the present time from the earliest beginnings in the country is only the equivalent of 835,000 acres, of the average 6-foot coal vein per acre.

Mr. BURNETT. Was there not a very great difference of opinion between the experts from the Geological Survey and these laymen in regard to that?

Mr. MARTIN. I do not find any important difference of opinion as to what the supply is. There is a difference of opinion as to how long it will last, depending upon the possible development of the country. But the actual consumption of coal from the beginning of mining in the country down to the present time seems to be about one three-hundredths of the known supply of coal. The estimate of the witnesses as to how long it will probably last, based upon past experience, has been all the way from one thousand to five thousand years, with the possibility of that minimum period being considerably shortened if the development of the country is much more rapid than any of us can now foresee. So it seems apparent to me that we will have a large supply of coal, running through the centuries. I think, also, that future development is bound to disclose more instead of less coal in the country. Veins of coal are often found where you do not expect to find them.

At all events, it seems to me that the question for this committee, and for Congress, is not the saving of the coal we have. Coal is a necessity. People do not use any more coal than they have to use. We could limit manufacturing by law, perhaps, if the public necessity required it, but as far as domestic consumption is concerned, no man uses more than he requires, because the price of coal would prohibit that. Therefore the problem, taking it as a broad one of statesmanship, is rather one of supplying our coal to the necessary consumers at the most moderate price and to protect the consumers against monopolistic handling and unreasonable prices.

Another fact that was developed here was in the nature of a surprise to me. That is that in the prices of coal at the mines, East and West, North and South, there is a great uniformity, and the mining output price can not be said to be unreasonable. It seems to range from 90 cents up to \$1.50, embracing the anthracite region as well as the best bituminous and lignite.

Mr. MONDELL. You are speaking of domestic coal?

Mr. MARTIN. Yes.

Mr. MONDELL. Steaming coal is as low as 34 cents.

Mr. MARTIN. Yes; I am speaking of domestic coal. I apprehend that is not an unreasonable price. Therefore, if the people have been charged an unreasonable price for their coal it has come about either by reason of unreasonable transportation charges or the necessarily high transportation charges in the new sections of the country, because of the increased cost of constructing and operating transportation lines. That there is some need of relief as concerns transportation is perfectly apparent from what Mr. Clark says. He cited an instance in Colorado and said you could buy coal within 30 miles of Denver of the independent mine operators for something like \$1 a ton, and by the time it had gone over the transportation line and through the hands of the handlers of coal there was a uniform price of \$5.50 a ton, whether it was mined 30 miles or some hundreds of miles from Denver. This matter, which is of great immediate importance, is undoubtedly going to be considerably relieved by the provisions of the rate bill which we passed at the last session of Congress and by the close attention the Interstate Commerce Commission is necessarily going to give to that phase of the problem from now on.

Another fact that is an important one, to my mind, that has been disclosed by the testimony thus far is the extent to which there has been fraud in the acquisition of coal lands. It has been not by the operation but by the evasion of the coal-land laws. Under the interpretation put upon the law by the present Department of the Interior, which compels a man to make affidavit that in purchasing coal land he purchases it for his own exclusive use and benefit, or something to that effect, there have been instances undoubtedly where those affidavits have been made under circumstances where they were not true. No man buys even 160 acres of coal land for his own exclusive use. At least he expects to be benefited by it; but he expects to get that benefit partially by the sale of the coal or the coal land to some other person or persons.

Mr. BURNETT. Would not that be what the interpretation would mean—that is, his exclusive use in developing, himself?

Mr. MARTIN. Possibly.

Mr. MONDELL. I do not know whether it has been brought to your attention or not, but I would like to make the suggestion here that even where purchases have been made under what is known as the cash-purchase system under the coal-land law, and where the entryman makes no affidavit or statement at any stage of the proceeding that he takes the land for his own exclusive use and benefit, in some of those cases where the transfers were made, or where a number of entrymen consolidated, the Department's agents have pursued the entrymen as though they were guilty of a crime, and have loudly proclaimed those acts as being fraudulent and contrary to law.

There is now one case being very energetically investigated by the Department, on the ground that a number of entrymen combined in a working and got outside capital to help them, and that it was fraudulent, when, as a matter of fact, they all bought under the cash entry system, and none of them made affidavit or were required to make affidavit that they took the land for their own use and benefit.

Mr. MARTIN. I very much question whether the interpretation of the law placed upon it in that respect by the Department of the Interior is a correct interpretation of the law. This coal-land law does not require an actual residence upon the land, or anything else of a personal character, but goes to the extent of allowing the purchase of 160 acres by an individual, or 320 acres by an association of two persons or more; and I apprehend that the purpose of that law was to permit the coal lands to be sold independently to citizens without placing a limitation upon what should be their purpose regarding its disposition or handling afterwards. But I think it is reasonable to believe from the testimony, and from outside observation, that the spirit of the interpretation placed upon the law which requires an affidavit of the character referred to has undoubtedly been evaded in instances, and that affidavits have been made by individuals that they took the land for their own exclusive use and benefit where the purpose was to sell it to some association where it would be handled with other land in sufficient quantity to justify putting up coal workings; because it would not justify a large expenditure on 160 acres or 320 acres of land, if they were required to put up a modern plant to operate it.

Mr. ROBINSON. The Department practically admits that the area is too small for successful operation.

Mr. MARTIN. I am coming to that. These evasions of the law, or evasions of the spirit of the law, as interpreted by the Department in this regard, have been for the purpose of obtaining a sufficient amount of land, even in the view of the Department, for the operation of a coal mine. I do not believe, however, and I do not think the testimony had established, that any alarming amount of the coal land has been taken from the Government by those evasive means. All we have been selling for several years of public land under the coal-land laws has been something like 40,000 acres a year.

Mr. MONDELL. Forty-four thousand acres last year; 30,000 acres per annum for five years prior to that, and 12,000 per annum for the last thirty-four years.

Mr. BURNETT. How much in all?

Mr. MARTIN. Something like 400,000 acres from the beginning until now. That law has been in operation for thirty-three years; so that considering the very large amount of public land that is being disposed of for various purposes, it is a comparatively insignificant amount that has been taken under this coal-land law.

Mr. MONDELL. Has not a great deal of the coal land been taken under other law?

Mr. MARTIN. I was coming to that. On the other hand, it is in testimony that fraudulent acquisition of coal land has been had by other means, chiefly by means of the lieu land selection laws, by which the States are permitted to select certain lands, agricultural in character, for State purposes. The only instances brought to the attention

of the committee, and the only cases I have heard of where coal lands have been taken under those laws, seem to be those disclosed by the recent investigation of the Interstate Commerce Commission in Utah and Colorado. That is a plain evasion of the law, and it would seem to me that a diligent administration upon the part of the local inspectors and agents of the Government, when the coal areas of the United States are so well defined geologically as they are, ought to prevent the taking of any large areas under State lieu land selection.

You can take up your map and see where the land lies, and if under the lieu land selection an application is made to the Interior Department to take a large amount of land in that area, it would seem as though the closest scrutiny should be given before a patent is issued and that that scrutiny would tend to check most instances of fraud. However, the fraudulent acquisition of land under those laws has been realized, and I think this committee and Congress ought to make that impossible in the future, if we possibly can, by such legislation as is necessary.

The only other fraudulent cases seem to be where the homestead laws have been used to take coal lands. So far as anything before the committee is concerned those instances have been very few indeed, and I do not think any large quantities of coal lands have gotten away from us in that way.

It is also apparent that our present coal-land law is not sufficiently liberal for the honest acquisition of enough coal land to justify an association in developing and putting up a modern coal plant and mining. While, therefore, I do not favor the repeal, directly or indirectly, of the present coal-land laws, I do favor their amendment so that associations and persons who show their good faith may honestly buy a sufficient quantity of public coal lands from the United States to operate a modern successful plant for the mining of coal. I have introduced a bill here which contains provisions intended to reach that situation.

There is great uniformity, you will notice, in the testimony of all the witnesses that a much larger area is required than the law will now permit a person or an association to take. The present law permits one individual to buy 160 acres or two or more individuals to buy between them 320 acres. Then there is a provision in another section of the law that an association of four individuals or more may purchase 640 acres, but certain requirements are made. They must first expend in development and the improvement of the coal vein the sum of \$5,000.

You will remember that all the witnesses practically agreed, I think, that nothing less than 2,500 acres would be sufficient for the proper operation of a coal mine, under modern conditions. I know Mr. Clark, of the Interstate Commerce Commission, placed it at from 3,000 to 5,000 acres, and the Secretary of the Interior certainly did not place it lower than that—4,000 to 5,000. The testimony of the other witnesses was all the way from 2,500 to 5,000 acres. I have made this proposal in the bill that I refer to: That we amend the section regarding the amount that an association of persons can purchase in this way, so that an association of four or more persons, who will expend not less than \$5,000 in the development of the coal veins they propose to purchase, can buy double the amount we now pro-

vide for (which is 640 acres), or two sections—1,280 acres—and that upon the expenditure of \$10,000 in the proper development of their coal veins they can purchase double that amount, or four sections, which would be 2,560 acres. But I have proposed a provision that in both of these instances in which you allow a larger quantity to be purchased they shall first not only expend their sums of \$5,000 in one instance and \$10,000 in the other, but shall also, before a patent shall be issued to them, construct upon the proposed property an adequate plant, with machinery and appurtenances for the proper mining of the coal from the mine, and that when that is all done they may, by the payment of \$10 or \$20 per acre, obtain title to the property in question.

Mr. BURNETT. That is the 1,280-acre proposition?

Mr. MARTIN. That is the 1,280-acre proposition, in case \$5,000 is expended, or double that—2,560 acres—in case they expend \$10,000 in work upon the mine. But in both cases, whether they purchase two sections or four sections, they must first put up an adequate plant for the mining of coal before they can get a patent to the land. The purpose is to be sure in every instance where the Government parts with its land to an association of that kind that it is for the purpose of mining and not for the purpose of speculating in the future.

Mr. SMITH, of California. What would we do in order to protect the applicant?

Mr. MARTIN. I think what we ought to do is to give him sufficient additional time to make the required improvements, so that he will have an ample opportunity to make them before he needs to pay; in other words, to protect him. I believe the present law allows him a year, does it not?

Mr. MONDELL. Yes.

Mr. MARTIN. To expend \$5,000. Perhaps he should be allowed two years to make the expenditure before he makes entry. He could then make entry and pay for the land, but he could not get a patent for the land until he has put up works for mining the coal. He can take his own time for that, and the Government will have the assurance that he can not get a patent until he puts it up.

Mr. SMITH, of California. His application will protect his rights, then?

Mr. MARTIN. In the interim; yes.

Mr. MONDELL. The present provision of the law, which allows 640 acres, is not generally utilized, owing to the fact that the time is too short. Is that not so?

Mr. MARTIN. I think so. I think we ought to amend it and give ample time.

Mr. BURNETT. What is the time now?

Mr. MARTIN. One year.

Mr. BURNETT. What is the suggestion in the bill as to how much it should be extended?

Mr. MARTIN. I have not covered that proposition, but I had it in mind, thinking that if we adopted any idea of this kind we might settle it in committee.

Mr. BYRD. Do you not think that if the Government held the title to this land and leased it on royalty, or for some compensation, it would encourage development?

Mr. MARTIN. I do not think it would, so much; but I am so far

favorable to the consideration of that proposition that I am in favor, if the committee is, of making some proper provision for testing the leasing system on a large scale.

Mr. TYNDALL. I believe you stated there was a decrease in the output on coal of 25 per cent?

Mr. MARTIN. No; a shortage between the amount that was desired for consumption and the supply. It is not a decrease in the output, although the fact is that all of the Western States—and by that I mean the intermountain States except Wyoming—have practically simply held their own in the quantity they have produced in the last five years. Wyoming has increased some, but not very much.

Mr. ROBINSON. If the gentleman will permit me, I would like to say that on pages 96 and 97 of the statement made by Mr. Gebo the output of the mines of the intermountain States is exhibited, or set forth, and it shows a uniform increase in all of them, but the increase is not great.

Mr. MARTIN. It is very small, except in Wyoming. The State of West Virginia alone in the last five years has increased the output of coal more than all of the eight or nine intermountain States.

Mr. MONDELL. Many times.

Mr. MARTIN. Yes.

Mr. TYNDALL. Have you any explanation to give as to why the output of coal, the demand being great, has not increased?

Mr. MARTIN. I think that is apparent not only from the testimony, but from our own observation. The fact is that \$10 and \$20 per acre for coal lands in the West, being for lignite coal, which is inferior to the best grade of bituminous, has been so near the price the investors would have to pay for bituminous coal land in the Eastern and Middle States that capital has sought investment there, and capital in the remote East—in the sense of its being remote from the intermountain mines—has been reluctant to invest largely in coal properties and coal development in the intermountain country until it should be apparent that the demand was going to be permanent. Within the last two or three years settlement has again started actively toward those areas, and consequently, by reason of the coming in of settlers, by the largely increased transcontinental work of the railroads, requiring many times the tonnage of coal for the use of the railroads themselves; the large cessation of the use of timber as fuel in mines, where it was up until a few years ago used largely; the demand for manufacturing purposes and for transportation purposes, and for increased domestic use by reason of the sudden increase of population, has been so great that capital has not acted quickly enough to meet it.

From what Mr. Gebo states capital now stands ready to come in and avail itself of those conditions and make development; and his belief, based on efforts to get capital in those directions, is that a lease proposition is so new and untried (capitalists generally liking to own what they are operating) and the sense of ownership and the desire of ownership are so strong that it will be years before any general flow of capital toward leasing properties that far west will come about. I fear he is right in his judgment on that question.

Mr. BURNETT. Would not that be offset by the fact that the capitalists could get so much larger an area under a lease to operate

on? Would not the temptation and inducement to them be great for that reason? They can now get only 640 acres as the maximum, which is a small area.

Mr. MARTIN. If we continue the coal-land law at all, and I am in favor of continuing it for the present, we ought to so amend it that honest purchasers can get an adequate quantity, and I seriously fear if we stop the possibility of purchasing coal lands at all, with the rapid development of the country as it is now going on, that before capital would go into any general leasing line of investment very serious consequences and very hazardous checks in the development of the country would follow. My proposition along those lines is this in my bill. I am not arguing my bill as the bill to be adopted, but I refer to it because these particular ideas are in some form expressed there. In that bill I have a section in which it is provided that the President may, from time to time, in his discretion, reserve such portions of the public coal lands of the United States as he may deem necessary to prevent the coal supply of the country from drifting into the control of monopoly and to protect the people against unreasonable prices for coal.

When I drew that section I felt that it was the proper solution of that branch of the case. I want to say now, however, that I am afraid that is too liberal, from the standpoint of the West. I fear that under the present view upon that subject it might practically amount to a reservation of all those coal lands under that sort of a discretion. I believe, however, that the present occupant of the White House, if it were left to his discretion, would fix only a nominal lease royalty for years to come, in the hope of inducing capital to develop that part of the country; but my judgment at the present time is that any leasing system that we may adopt, if it should be in any way general over that western country, that will stop totally or in large part the possibility of developing the country by the use of the methods of personal individual enterprise, which have developed all this country from the Atlantic to the Pacific thus far, would very much retard its needed development in the next few years. We are not doing future generations harm by the rapid development of our country.

I suggest, upon that subject, that if we do anything in that line, instead of leaving the discretion that broad, to reserve any or all coal lands, that we place a limitation upon it. I am so far convinced that there is some merit in the leasing proposition that I want to see it tried. I am inclined to think that if you make a provision along the line of the section I refer to, putting in a limitation of not to exceed, say, 1,000,000 acres in any single State or Territory, or something like that, it would be a good thing.

Mr. MONDELL. You understand, of course, that the President could select 1,000,000 acres of land in the State of Wyoming in such a way that it would take all the coal that country would care to mine within the next fifty years.

Mr. MARTIN. That is possibly true.

Mr. MONDELL. And to take all of the coal near or accessible to a line of railroad.

Mr. MARTIN. That is possibly true. If that is true, I would not want 1,000,000 to be the minimum. Perhaps it should be much less in any single State or Territory, but I am in favor of allowing some method of leasing some part of the coal lands of the United States,

and let us see the working of an honest coal-land law, so framed that men may honestly purchase an adequate amount for the proper development of coal, working side by side with governmental efforts at leasing, to see which protects the people the best. How and under which system the people will get their coal at the more reasonable price is the problem.

Mr. BYRD. After the coal is extracted that land becomes useless for mining purposes?

Mr. MARTIN. Of course.

Mr. BYRD. Take a tract of, say, 25,000 acres. After the coal is extracted by the leasing system that would be held by the Government for homestead purposes?

Mr. MARTIN. If it was valuable for homestead purposes, it would be homesteaded before the coal was mined out, possibly.

Mr. BYRD. Is it not probable if we permit coal land to be continued to be sold that they will get hold of it in large quantities, extract the coal from it, and sell it to settlers at exorbitant prices?

Mr. MARTIN. I do not think it is possible. In the private ownership of land a man naturally wants to apply it to the purpose for which it is best adapted. If a man buys 2,500 acres of land for coal, he buys it because it has more value for the coal, and if, after he has extracted his coal, or if, before he has extracted his coal, there is an additional value to the land for agricultural purposes, he is going to get that value out of it by selling it to some man or giving the surface rights to some man.

Mr. BYRD. In this rapidly settling country I suppose it is the same in the West as in the South. Down in my State, in the South—Mississippi—the timber people came in and bought the timber. They said they did not want anything but the timber, that the land was no use to them, but they gobbled all the land. They cut off the timber and they asked \$10 an acre from the settlers.

Mr. MONDELL. And the farmers are doing well on the land.

Mr. BYRD. They are doing well. It is the finest land in the State, with a little fertilizer. I am in favor of saving the public domain for the settlers, if we could get the coal out and then let some one settle on the land.

Mr. MARTIN. The difficulty as to the question of the leasing proposition and the reserving of coal lands in the United States is that it would be a radical departure from the policy of our country from the beginning, which has been, since the enactment of the homestead law in 1862, not that the Government should be a landlord to obtain from the man who cultivates the soil, or makes any other use of it, all the money or profit the Government could make out of it, but that the Government should pass to the individual citizens who want to make new citizenship, to build up new empires and new communities, the lands practically at no cost, or at a nominal cost, the Government to get its chief benefit in the addition of American homes to the aggregate wealth and comfort of the people.

Mr. BYRD. Has it not always been the policy of the Government for individuals to get the lands and not corporations? That is a new idea to me, that it was ever the policy of the Government that the public domain should go in large quantities to corporations.

Mr. MARTIN. That is true, but it has always been the policy of the coal-land law to give an opportunity to purchase coal land to an

association of individuals, which arises out of the fact that the associations have necessarily larger means than the ordinary individual would be expected to have. Of course as the country grows wealthier the individual ability to do things increases.

Mr. TYNDALL. Do you mean the title in fee simple to pass to the corporations, or just to mine the coal?

Mr. MARTIN. My proposed amendment on that subject is simply along the line of our present coal-land laws—for the purpose of whatever is in them.

Mr. TYNDALL. In fee simple?

Mr. MARTIN. In fee simple.

Mr. MONDELL. You simply propose to liberalize the coal-land law?

Mr. MARTIN. The President, in his message of December 17 upon the public-land laws, makes it clear that his view is, as the view of many others, that the present law is not sufficiently liberal as to the amount of land which can be purchased by the proposed mining operator; and in its present form it invites rather than discourages fraud.

Mr. FORDNEY. Your proposition to permit an individual or set of individuals to purchase one, two, three, or four sections, as you say, has no tendency to prevent the transfer of that property as soon as he has the patent?

Mr. MARTIN. No; but it compels them to develop the property by the expenditure of large sums of money, and also to put up an adequate plant. Then, of course, if they want to sell the plant to some other operator, I see no objection to that. You can not follow that indefinitely.

One other question is involved, which is set forth very well in some of the bills the chairman has introduced. That is the question whether we ought to legislate for a severance between the surface and the coal that underlies it. That is a subject, I confess, I have not a definite idea upon, or a satisfactory idea upon. I noticed that when we interrogated the Secretary of the Interior upon that subject as to what was the attitude of his office, he stated that they had been opposed to a severance of the surface and of the minerals, and that in a report of May 10, 1906, on Senate bill 5441, their reasons for that position were set forth. I have not had an opportunity yet to read that. He further said—

The CHAIRMAN. You means in this Congress?

Mr. MARTIN. Yes, sir.

The CHAIRMAN. That report never reached us. The Land Department considered the three bills introduced by me and reported adversely to all of them to the Secretary.

Mr. MONDELL. This was the last session of Congress, and was another matter, evidently.

The CHAIRMAN. The Secretary of the Interior, however, did not agree with the Land Department, but has held up the report of the Commissioner, Mr. Richards, and has sent one of his own, which reached us yesterday and in which he declares substantially and affirmatively for the first one of the bills introduced by me.

Mr. MARTIN. That does not provide for any severance of the surface—

The CHAIRMAN. Yes; it provides absolutely for a severance of the coal under the surface, disposing of the surface under all exist-

ing laws except the coal-land law, and the reservation of sufficient surface for the purposes of operation.

Mr. MARTIN. If it is necessary to make this sort of severance between the surface rights and the mining rights in order to prevent fraud in the disposal of our public coal lands by persons taking them under the homestead or any other laws than the coal-land laws, I would join with the committee in recommending some provision of that kind that would make a reservation to the Government hereafter of all coal or minerals that may be underneath the surface where a patent is given under other land laws than the coal-land laws.

Mr. TYNDALL. I should think that ought to be done, because the very land that is taken in large quantities by the corporation or individual might be good agricultural land.

Mr. MONDELL. Right there I would like to say that it is a fact, I think generally known, that as a rule the coal lands that are of value, other than the lignites, which at the present time they are not working in the Dakotas, are not of very much value so far as the surface is concerned. They are either arid or semiarid.

Mr. TYNDALL. They can be irrigated.

Mr. MONDELL. Some can be.

Mr. MARTIN. In view of the fact that the Secretary, when he was before the committee, stated that he would like to further consider that question of the severance between the surface and the underground rights, I should like to know what conclusion he or his Department comes to upon that subject as to their own views before we act finally upon it.

Mr. ROBINSON. I think that is proper.

Mr. MCCARTHY. Has not the Secretary reported on one of the chairman's bills in such a way as to indicate his attitude on that proposition?

The CHAIRMAN. He reported squarely in favor of the first of the bills. I think that report ought to go into the hearing. I will read it to the committee and the reporter can take it.

Mr. BURNETT. What is the bill that he reports on, substantially?

The CHAIRMAN. Here is the report:

DEPARTMENT OF THE INTERIOR,
Washington, January 23, 1907.

The CHAIRMAN OF THE COMMITTEE ON THE PUBLIC LANDS,
House of Representatives.

SIR: Referring to your communication of the 9th instant, inclosing for my consideration three separate bills upon the coal-land question, I have the honor to advise you that after conference with the President we have concluded that H. R. bill 23552, entitled "A bill to authorize the withdrawal from entry of all gas, oil, lignite, and coal upon the public lands, and providing for the leasing of the same," is the best of the three bills, as apparently its effect, generally speaking, will be the same as the bill of Senator La Follette introduced yesterday.

I return herewith manuscript copy of the bill (proposition No. 4) submitted with your communication of the 16th instant for consideration in connection with the other three bills mentioned.

Very respectfully,

E. A. HITCHCOCK, *Secretary.*

Mr. MONDELL. The difference between the bills is that Senator La Follette in his bill reaches the logical conclusion which would follow the Lacey bill—the one bill simply outlines paternalism and the other lays down the details.

The CHAIRMAN. Here is the President's letter dated the day before:

THE WHITE HOUSE,
Washington, January 22, 1907.

MY DEAR MR. LACEY: After consultation with the Secretary of the Interior it seems to me that your bill H. R. 23552, which authorizes the withdrawal of the entry of all oil, gas, lignite, or coal upon the public lands and provides for their leasing, is the best of the three bills. I understand that in its effect it is, generally speaking, the same as the bill Senator La Follette is about to introduce.

With regard, believe me, sincerely yours,

THEODORE ROOSEVELT.

Hon. JOHN F. LACEY.
House of Representatives.

Mr. ROBINSON. It does seem, then, that the La Follette bill is approved by the Department of the Interior, by the Chief Executive, and by the Department of Justice, and before branding this bill as paternalistic in the extreme I think we ought to give its provisions careful consideration.

Mr. MARTIN. Have you read the bill?

Mr. ROBINSON. I have; and I have carefully digested its provisions.

Mr. MARTIN. Are you ready to support the bill?

Mr. ROBINSON. There are some provisions of the bill that I think should be omitted, but I agree with the gentleman from Wyoming, that the general features of the La Follette bill are simply carrying out to its legitimate conclusion the provisions of the Lacey bill.

Mr. VOLSTEAD. Even supposing that we have a leasing bill, can not a leasing law be so drawn as to take away from the Department the powers which are supposed to be given under the La Follette bill and practically give the party who secures the lease an absolute right to the use of it upon just one or two simple conditions?

Mr. ROBINSON. I think that could be done if it were desired to be done, but if it is desired to—

The CHAIRMAN. One moment. Does anybody else desire to insert anything in the record? I do not know that we care to put each man's individual opinion in the hearing. Is there any further matter to be put in the record?

Mr. SMITH, of California. I would like to make an inquiry. Is it possible for us to get any witnesses before this committee who could give us unbiased testimony in reference to the working of the leasing system in the Indian Territory?

Mr. MARTIN. I think that is quite important. I raised that question.

Mr. MONDELL. The chairman has given some very succinct testimony on that subject. If it is not already in the record, I should like to have it in the record.

Mr. SMITH, of California. I should like to have actual testimony from the people who work the mines in the Indian Territory on the leasing system and others who may have knowledge of it.

The CHAIRMAN. In relation to the Indian Territory I may say this for the benefit of the committee. The situation there is not at all complicated. No one can operate coal mines there at all except under a lease. There is no coal where the estate has passed into private ownership. Consequently the men that are going in and supplying that market from that source are all on the same 8 cents a ton basis; they are all on the same footing; whereas the problem we are getting

into now is to put a leasing system in operation in competition with other localities where there is private ownership of large areas.

Mr. MONDELL. There is also this condition, that while these lands that are leased in the Indian Territory are in a developed country, in the midst of large population and close to the markets, the development in the West is going on all the way from 500 to 800 miles from the market.

The CHAIRMAN. And those leases started there when there was no development, when the country was new. They started from necessity, because no title could be obtained, it being in the Indians. The leasing system there was not put in operation because it was a desirable thing nor because it was understood to be desirable, nor was it opposed because it was undesirable. It was put in operation because it was the only way they could handle the coal, the coal being owned in fee simple by the Indians. The Five Civilized Tribes acquired their title by virtue of our Indian laws.

Mr. SMITH, of California. What I want to get at is some testimony as to the working of the mines under the leasing system by the Government. I want to know whether there are complications that arise between the lessees and the Government. What I want to know is whether the men who have leases in the Indian Territory get along well with the Government, and are they allowed to carry on their industry in a reasonable way, and does it produce coal?

Mr. FORDNEY. You want to know whether they are laboring under the same conditions that the lumberman is under the forest reserve?

Mr. SMITH, of California. I want to know whether those annoying conditions follow. I know this, that the oil production in California is almost entirely on lease.

Mr. MONDELL. From private individuals?

Mr. SMITH, of California. From private individuals, and there is not any serious clash between the lessors and the lessees. You tell a man that he may go and do certain things. He takes his documents and goes and does those things. I do not see why leases could not be entered into with the Government that would clearly define the rights and privileges of the lessor and lessee. If a man went in under a lease of that kind, it might possibly not work. I have not any opinion particularly on the subject, but I want all the testimony that can be had.

Mr. BURNETT. I want to say on that line that a great part of the coal lands of Alabama and Tennessee are worked on that system, and I hear of very little friction there.

Mr. MONDELL. Would it follow that even though the Government might possibly get along fairly well with the lessees that a leasing system by the Government for the purpose of securing large sums out of the public lands would be a wise one for the Government? I want to say this much, that I am not in favor of a leasing system with a tendency to get all you can out of it. I would put a maximum, I think, and not a minimum royalty in the bill, because I do not think it is the duty or province of the Government to go into the money-making business on coal.

Mr. FORDNEY. Which bill is now up for consideration?

The CHAIRMAN. The entire subject is before the committee. I tried to get the attention of the committee a moment ago as to whether we want to introduce anything further in the hearing.

Mr. MARTIN. As soon as the record is closed I think we had better go into executive session.

Mr. MONDELL. I want to put into the record here a very brief statement, which indicates the difficulty under which coal is now being developed in the States which will be affected by this bill, and it shows that in the States of Montana, Utah, Wyoming, North Dakota, Washington, and Oregon, and the Territory of New Mexico in the past five years they have only mined 72,000,000 tons of coal, whereas in the single State of Illinois in the same length of time we have mined 193,000,000 tons. In other words, in Illinois we have mined 120,000,000 tons more, or two and a half times as much as we have in all that great region occupied by the public domain.

The statement is as follows:

The output of coal in Illinois from 1900 to 1905 is greater by 120,689,200 tons than the total output of Montana, Utah, New Mexico, Wyoming, North Dakota, Washington, and Oregon for the same length of time. In fact, it exceeds the output of the entire seven States for the past fifteen years.

8,966,408	
9,091,584	
8,070,324	
28,111,139	
1,179,769	
16,533,087	193,653,738
512,227	72,464,538
<hr/>	<hr/>
72,464,538	120,689,200

Mr. SMITH, of California. I suppose it is due somewhat to the question of demand?

Mr. MONDELL. It is due, yes, largely to the question of demand; but it indicates pretty clearly that with 64,000,000 acres said to contain coal we are not likely to exhaust it in the next five or six thousand years at that rate, and that it is difficult to develop it there, even under a system of sale, without any further handicap.

Mr. SMITH, of California. The question of exhausting the coal is not worth considering. If we run out of coal we will run out. No one is going to waste it.

Mr. MCCARTHY. Is there anything in the charge that coal syndicates owning and operating mines in the East are acquiring title to some of the valuable coal lands of the West and holding them for future development?

Mr. MONDELL. I will say in answer to that that so far as my personal knowledge goes that is not true. It is not true at all in the State of Wyoming I know, because I know the situation there very well. There is no coal being acquired there except for the purpose of immediate working. Whether elsewhere areas are being acquired for the purpose of holding them I do not know, except we know that under the coal-land law not much has been acquired because only 44,000 acres was acquired in all that territory under the law last year.

Mr. FORDNEY. Mr. Chairman, I move that the hearings on this matter be closed.

Mr. MARTIN. Further hearings you mean?

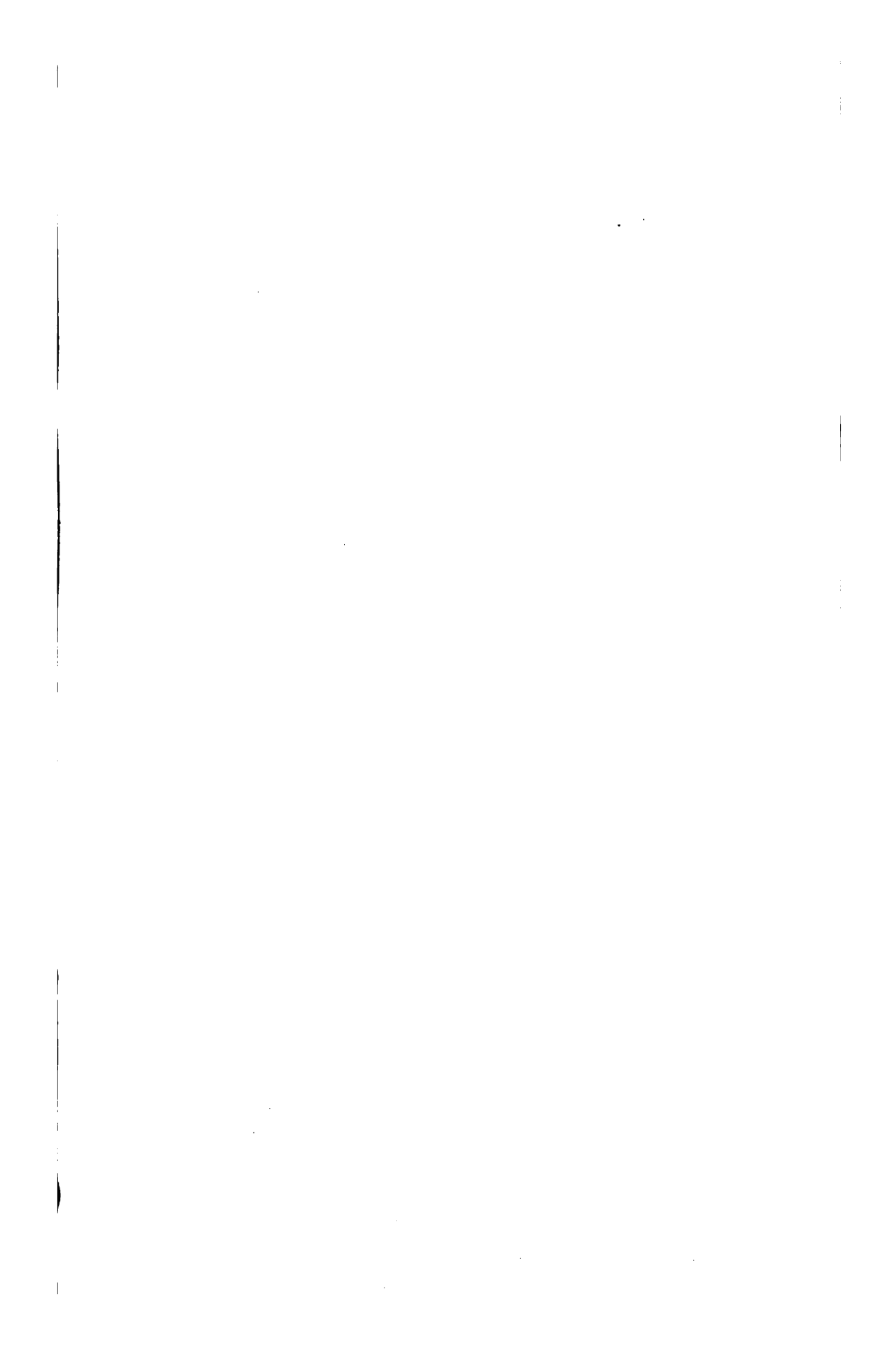
Mr. FORDNEY. Yes.

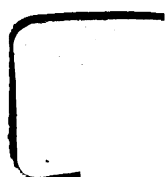
The CHAIRMAN. It is moved that the hearing be now closed.

The motion was agreed to.

The bill introduced by Mr. Martin, the provisions of which were in part discussed by him in his remarks, is as follows:

The committee (at 12.15 o'clock p. m.) adjourned until Wednesday, January 30, 1907, at 10.30 o'clock a. m.





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